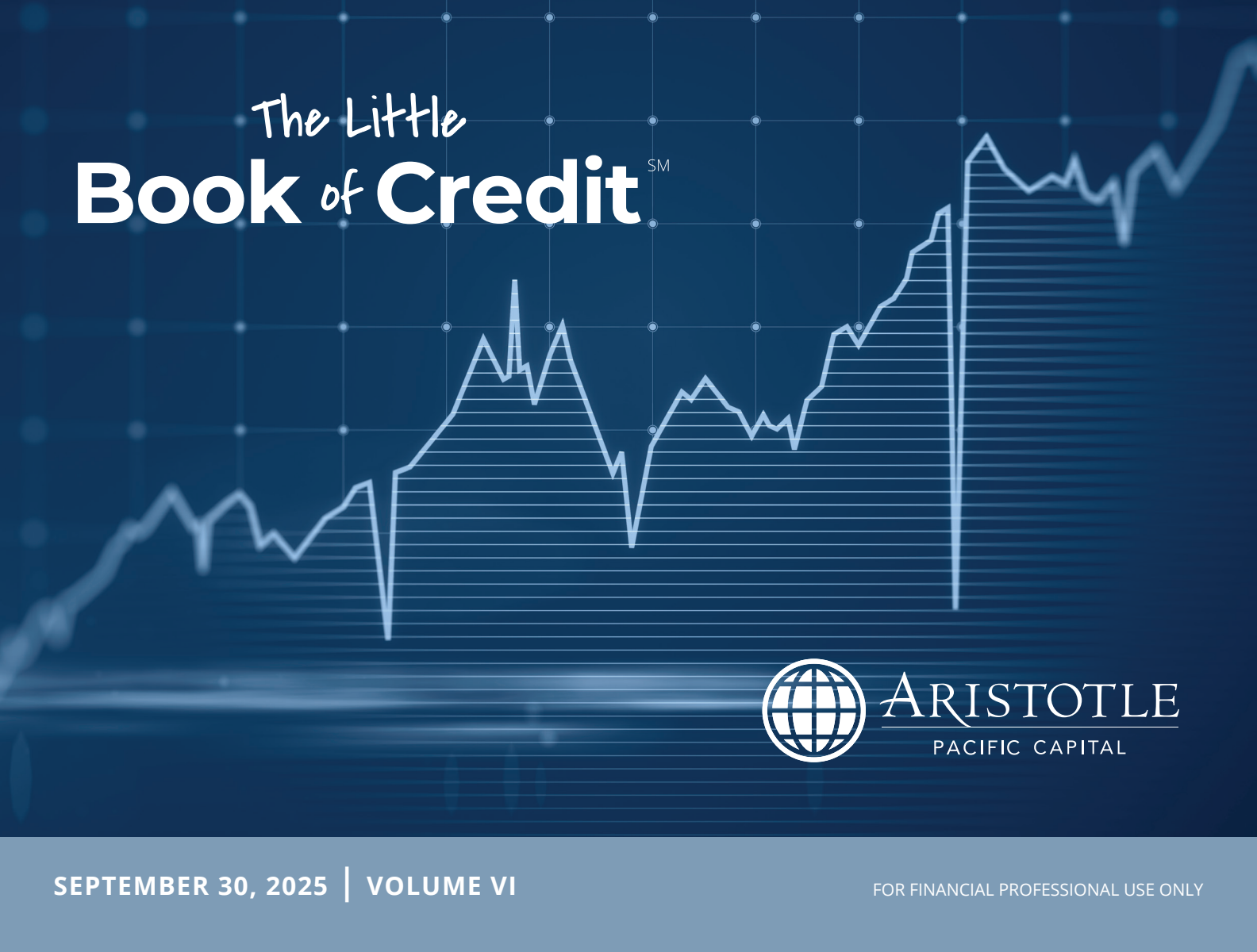




The Little **Book of Credit**SM



ARISTOTLE
PACIFIC CAPITAL

SEPTEMBER 30, 2025 | VOLUME VI

FOR FINANCIAL PROFESSIONAL USE ONLY



ABOUT ARISTOTLE PACIFIC CAPITAL

Aristotle Pacific Capital actively invests on the basis of fundamental credit analysis with the objective of identifying and realizing relative value. Our investment team, along with the infrastructure of affiliate Aristotle Capital Management, combine to provide an ideal platform for us to discover and capture credit opportunities in today's dynamic markets.

As “The Little Book of Credit” continues its journey, our “Little Observations” section at the front of this publication has become a favorite of many. Each quarter, our team does a terrific job uncovering timely and interesting (at least to us) observations on a variety of topics. In this edition, we’ve compiled observations on the AI arms race, recent college grad unemployment, dollar alternatives, continued Polymarket odds, and a new neighbor of the acclaimed Mag 7. We hope you enjoy this resource as much as we enjoyed creating it.

A handwritten signature in black ink, appearing to read "Dominic Nolan", with a long, sweeping horizontal line extending to the right.

Dominic Nolan, CFA

CEO, Aristotle Pacific Capital



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Digital version available here:

www.aristotlepacific.com/post/the-little-book-of-credit

SECTION 1

The AI Arms Race
Recent College Graduate Unemployment

Domestic Dollar Alternatives

Polymarket Barometer: 3rd Quarter Update

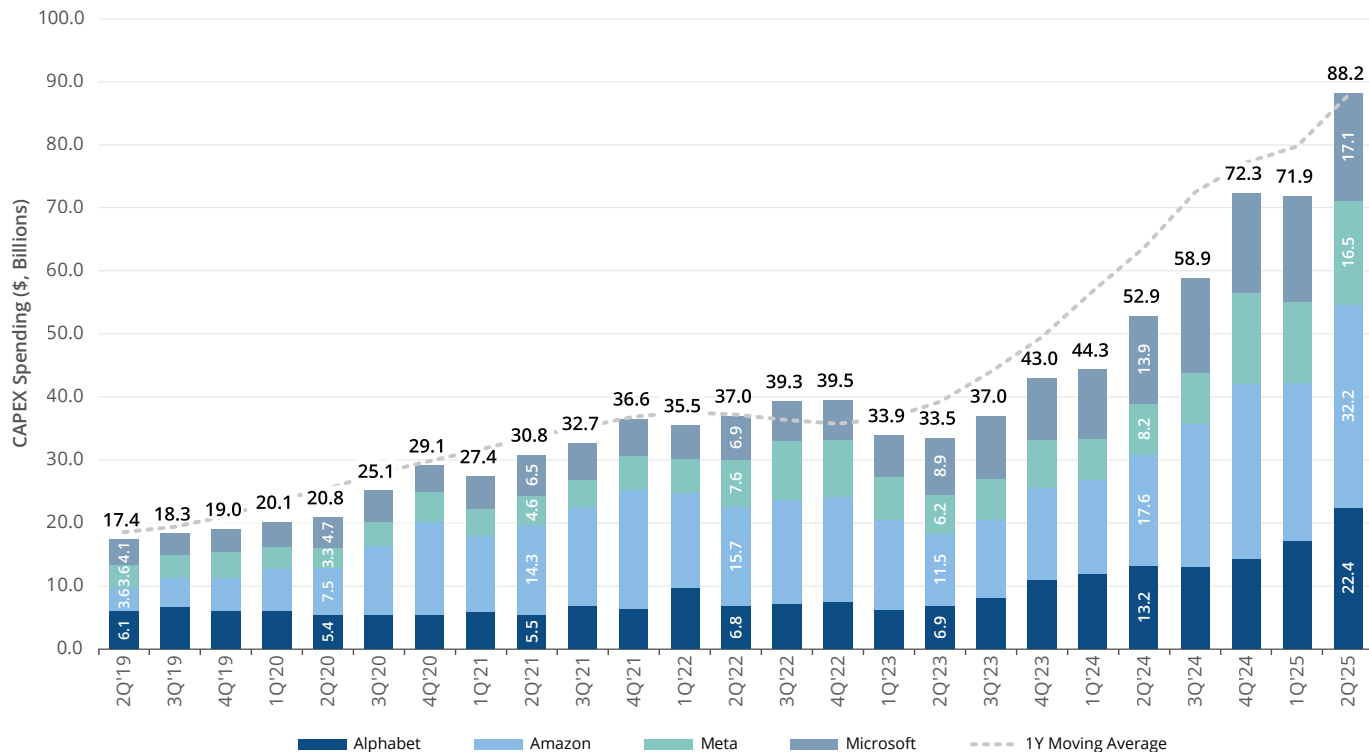
Mag 7+1



Little OBSERVATIONS

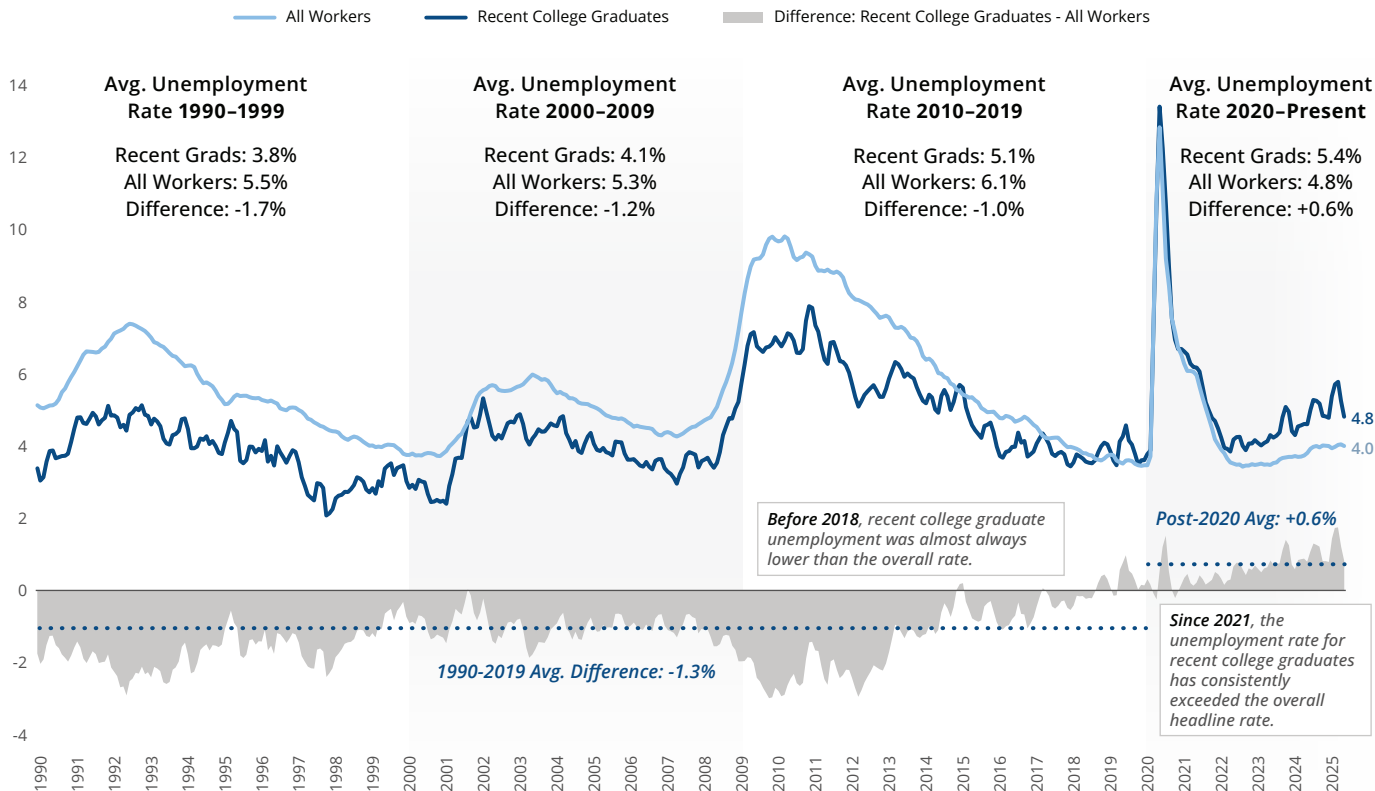
The AI Arms Race

AI INFRASTRUCTURE CAPEX CONTINUED TO RISE



Recent College Graduate Unemployment

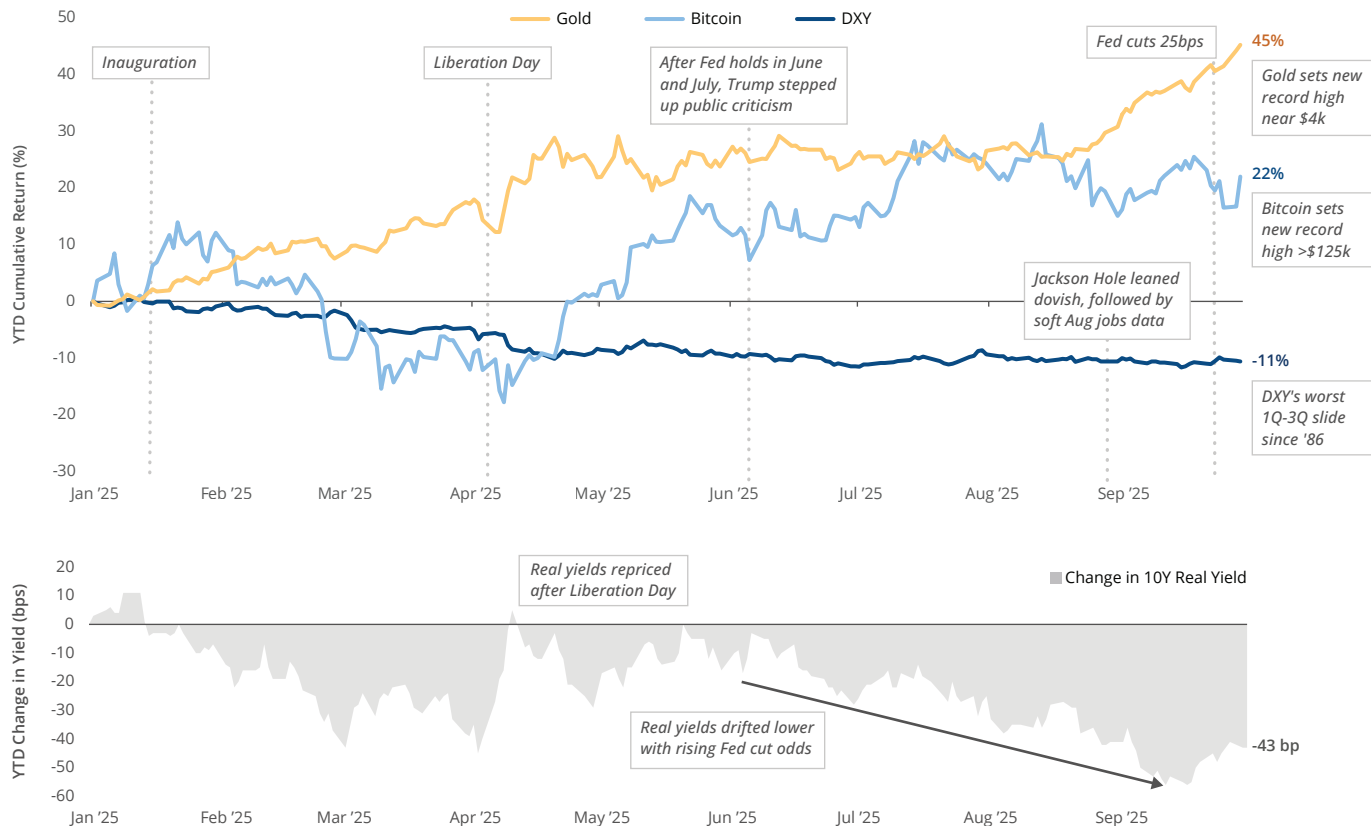
NOTABLE SHIFT SINCE 2020



Source: U.S. Census Bureau and U.S. Bureau of Labor Statistics, Current Population Survey (IPUMS) as of 6/30/2025.

Domestic Dollar Alternatives

TARIFFS, CENTRAL BANK RHETORIC AND BUDGET DEFICIT WEIGH ON DOLLAR TRUST

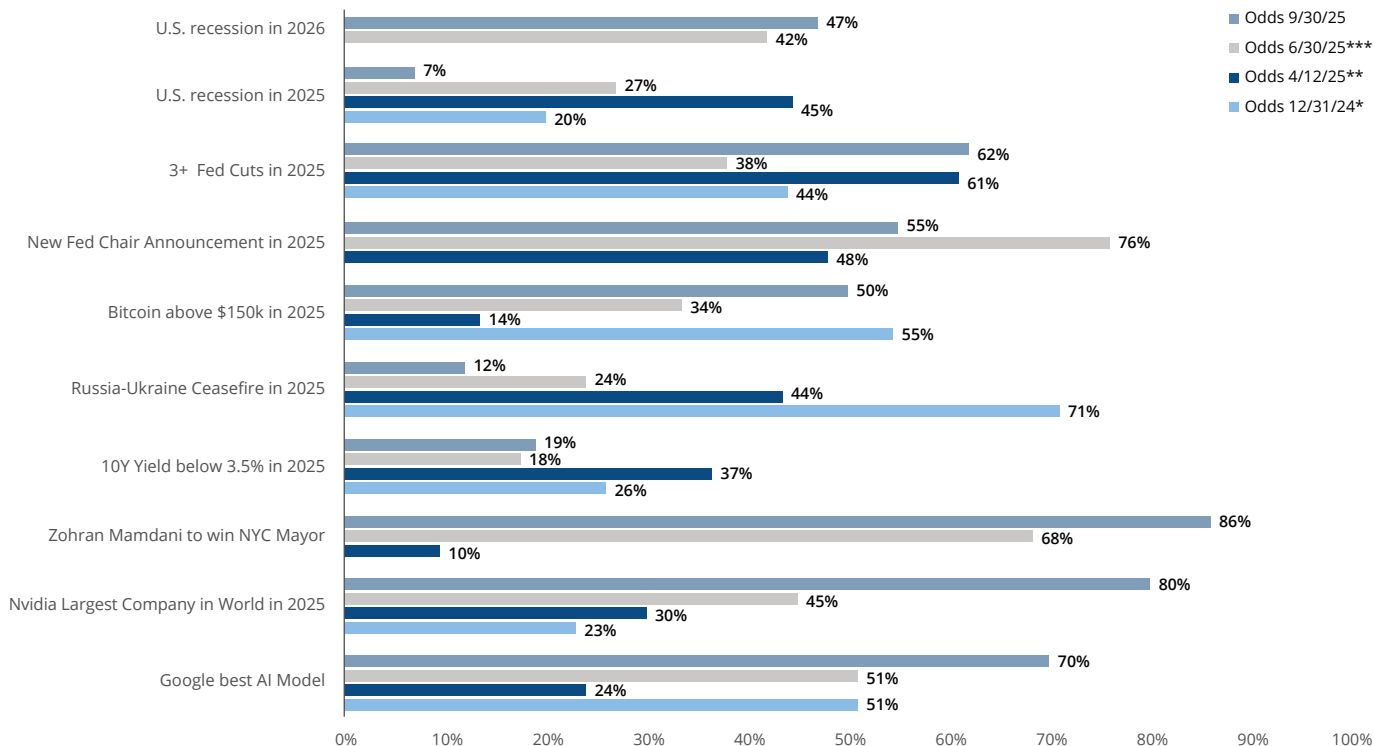


Source: Bloomberg as of 9/30/2025.

Polymarket Barometer: 3rd Quarter Update

WINNERS: 2025 ECONOMY, NVIDIA, AND GOOGLE

1



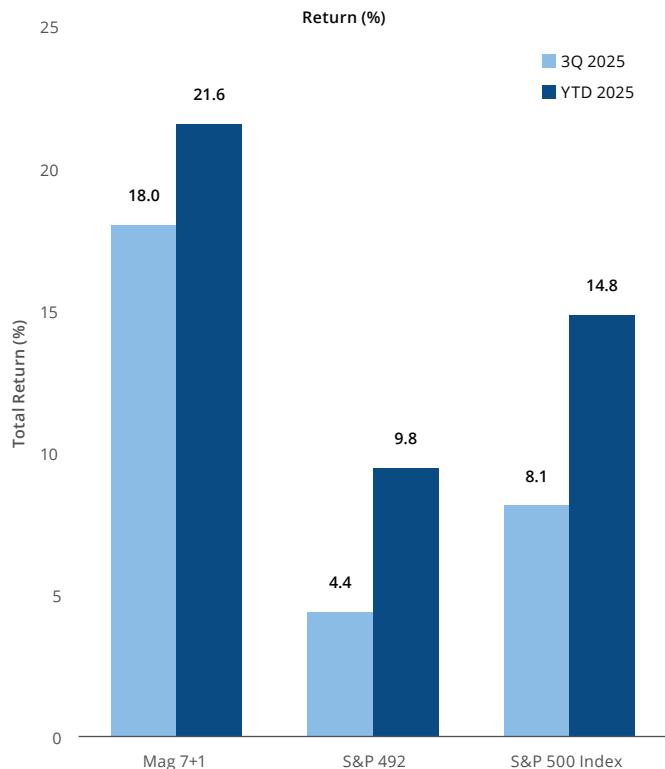
LITTLE OBSERVATIONS

Source: Polymarket as of 9/30/2025. *Odds on 12/31/2024 or first trading date if after 12/31/2024. First trading dates after 12/31/2024 include: U.S. Recession in 2025 (1/8/2025). **Odds on 4/12/2025 or first trading date if after 4/12/2025. First trading dates after 4/12/2025 include: NYC Mayor (4/22/2025); Fed Chair Announcement (4/18/2025). ***Odds on 6/30/2025 or first trading date if after 6/30/2025. First trading dates after 6/30/2025 include: U.S. recession in 2026 (9/29/2025).

10

Mag 7 + 1

BROADCOM MOVED INTO THE NEIGHBORHOOD



	Weight (%, As of 9/30/25)	3Q 2025 Total Return (%)	YTD 2025 Total Return (%)
NVIDIA Corporation	7.98	18.10	38.97
Microsoft Corporation	6.75	4.30	23.56
Apple Inc.	6.62	24.25	2.04
Alphabet Inc.	4.47	37.78	28.60
Amazon.com, Inc.	3.74	0.08	0.08
Meta Platforms, Inc.	2.79	-0.43	25.71
Broadcom Inc.	2.72	19.89	43.33
Tesla, Inc.	2.19	40.00	10.12

Contribution to S&P 500 Index Year-to-Date 2025 Performance

Magnificent 7 + 1	5.57	7.22
S&P 492	2.55	7.61
S&P 500 Index	8.12	14.83

Past performance does not guarantee future results. Source: FactSet 1/1/2025 - 9/30/2025, MAG 7 + 1 Companies Sorted By Ending Weight.

Mag 7+1 and S&P 492 return reflects average return while the S&P500 is the weighted average return.

Any discussion of individual companies in this presentation is not intended as a recommendation to buy, hold or sell securities issued by those companies.

SECTION 2

U.S. Nominal GDP

U.S. Real GDP

Consumer Price Index

CPI Components

Labor Market

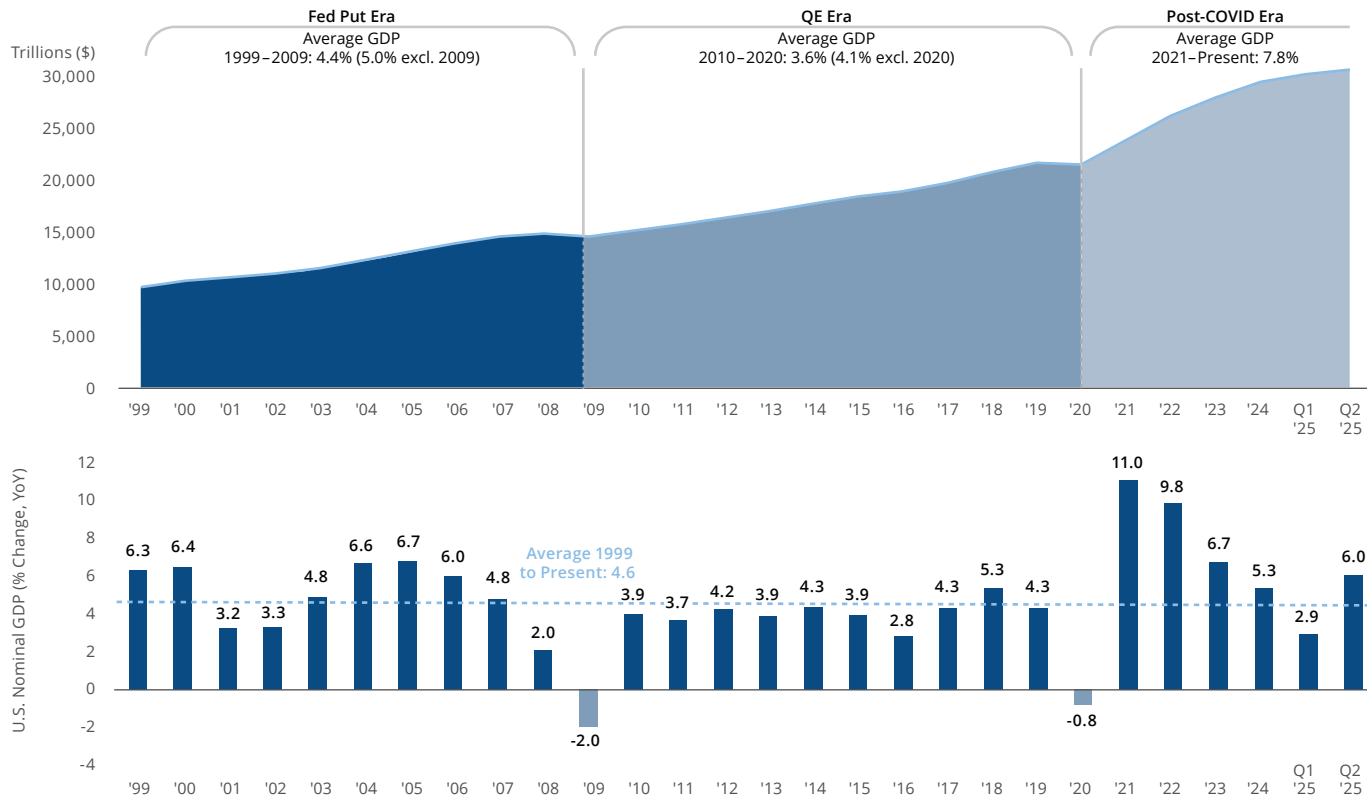
Commodity Performance



ECONOMY

U.S. Nominal GDP

2



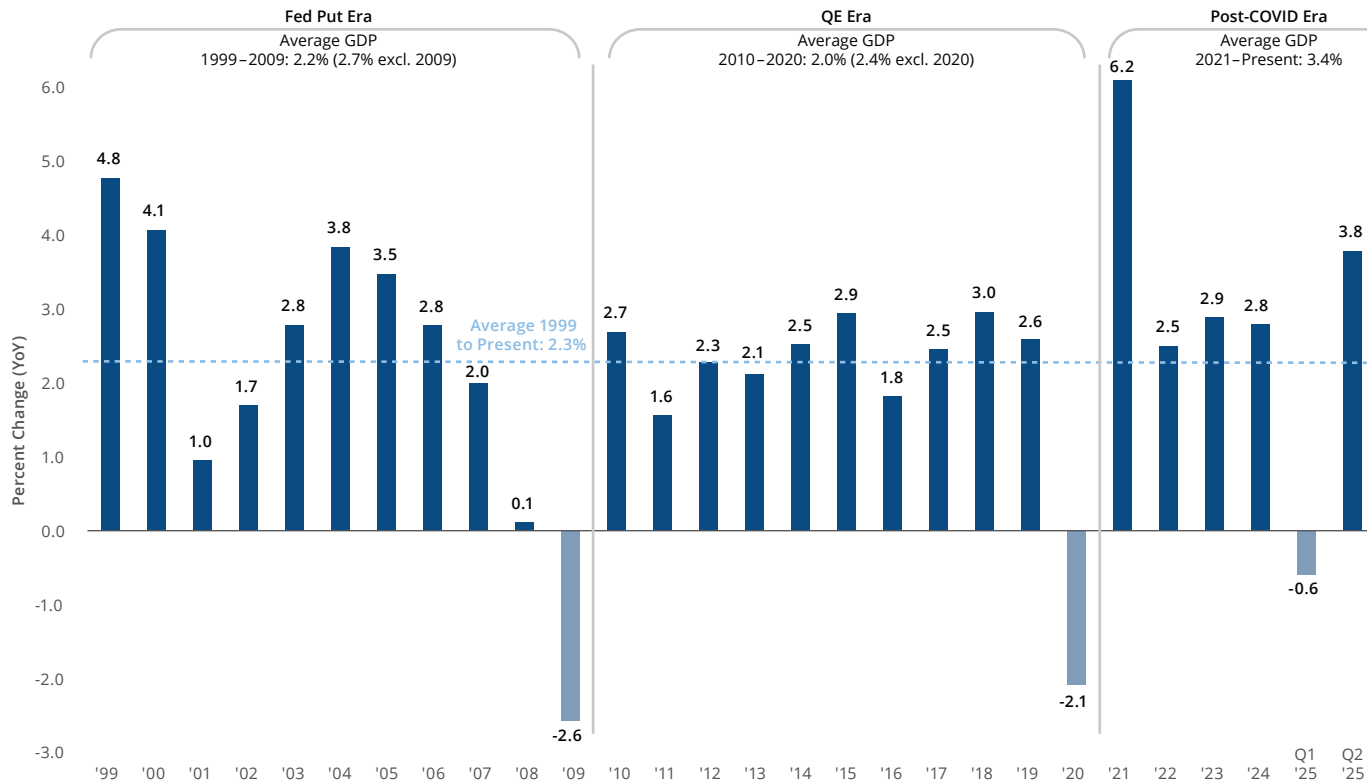
ECONOMY

Source: U.S. Bureau of Economic Analysis and Aristotle Pacific Capital as of 9/30/2025.

13

U.S. Real GDP

2

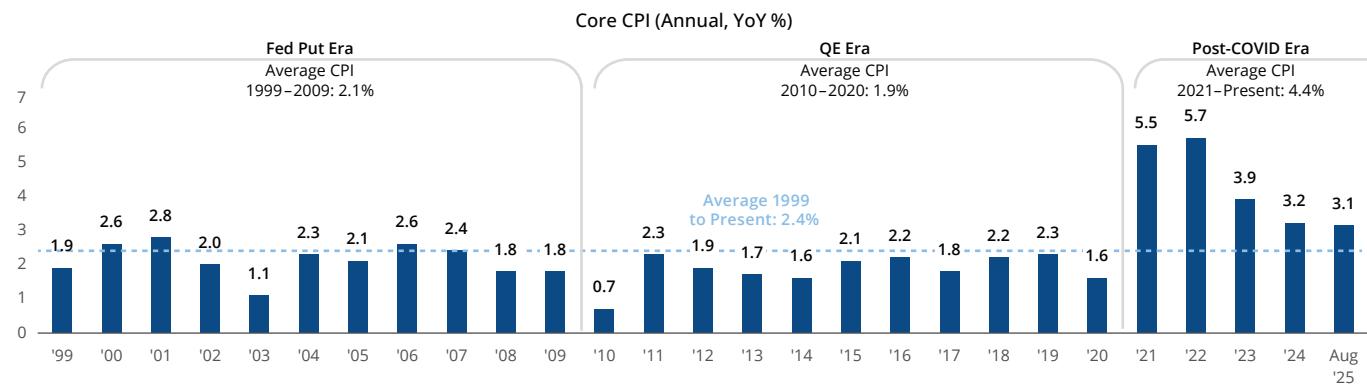
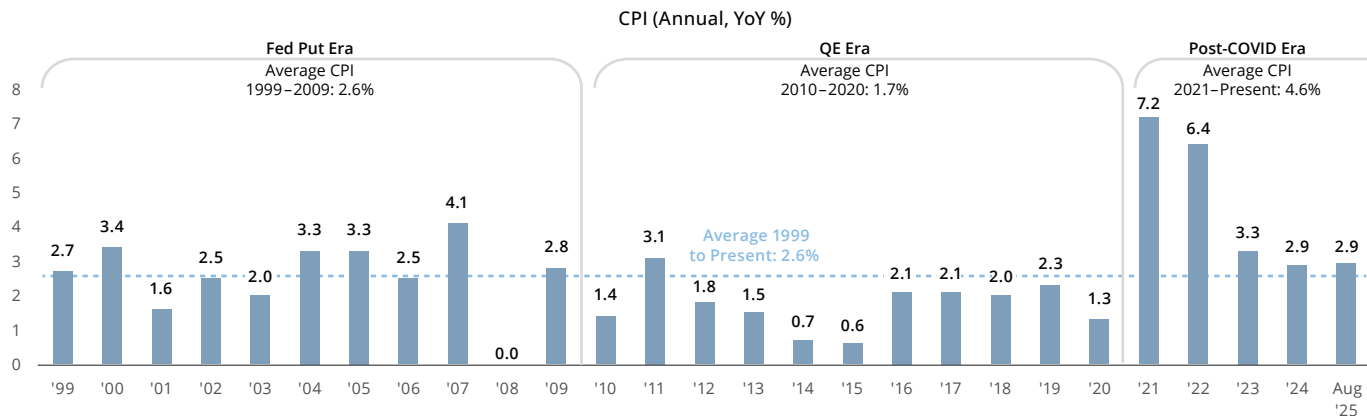


ECONOMY

Source: U.S. Bureau of Economic Analysis and Aristotle Pacific Capital as of 9/30/2025.

Consumer Price Index

2

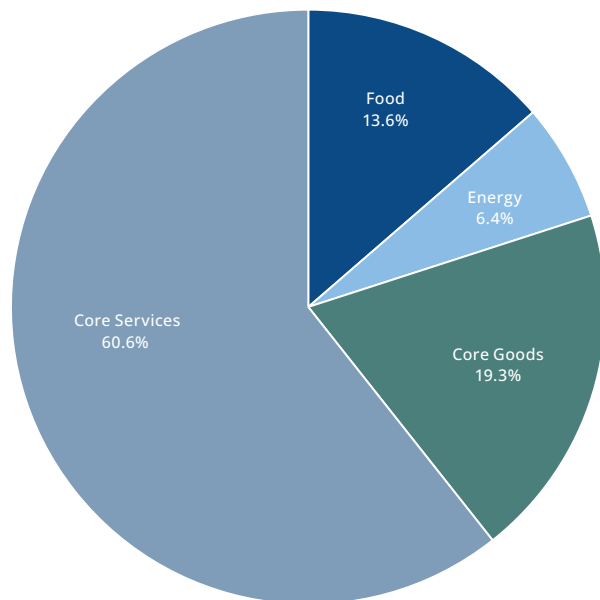


Source: U.S. Bureau of Labor Statistics and Aristotle Pacific Capital as of 8/31/2025.

CPI Components

2

CPI Weights



Category	Weight (%)	Change (YoY, %)	Change Since 12/31/2019 (%)
Food	13.6	3.2	31.0
Energy	6.4	0.4	25.2
Core Goods	19.3	1.5	15.6
Core Services	60.6	3.6	26.9
All Items	100.0	2.9	25.0

Category	Sub-Category	Weight (%)	Change (YoY, %)	Change Since 12/31/2019 (%)
Apparel	Core Goods	2.5	0.3	7.4
Housing		44.4	4.0	29.8
Household Furnishings and Operations	Core Goods	4.5	3.9	23.4
Shelter	Core Services	35.4	3.6	29.6
Water and Sewer and Trash Collection Services	Core Services	1.1	5.3	28.8
Household Energy	Energy	3.4	7.4	40.5
Education and Communication		5.6	0.3	5.9
Education and Communication Commodities	Core Goods	0.7	-3.9	-24.1
Education and Communication Services	Core Services	4.9	1.0	11.2
Recreation		5.3	2.3	16.1
Recreation Commodities	Core Goods	1.8	0.1	5.8
Recreation Services	Core Services	3.5	3.7	23.1
Food and Beverages		14.5	3.1	30.1
Food	Food	13.6	3.2	31.0
Alcoholic Beverages	Core Services	0.9	1.9	17.4
Medical Care		8.3	3.4	14.3
Medical Care Commodities	Core Goods	1.5	0.0	7.5
Medical Care Services	Core Services	6.8	4.2	15.8
Transportation		16.5	1.1	27.3
Transportation Commodities Excluding Motor Fuel	Core Goods	7.3	2.5	25.3
Transportation Services	Core Services	6.3	3.7	37.7
Motor Fuel	Energy	3.0	-6.5	11.0
Other Goods and Services		2.9	3.9	27.7
Other Goods	Core Goods	1.3	3.2	25.7
Other Personal Services	Core Services	1.7	4.4	30.0

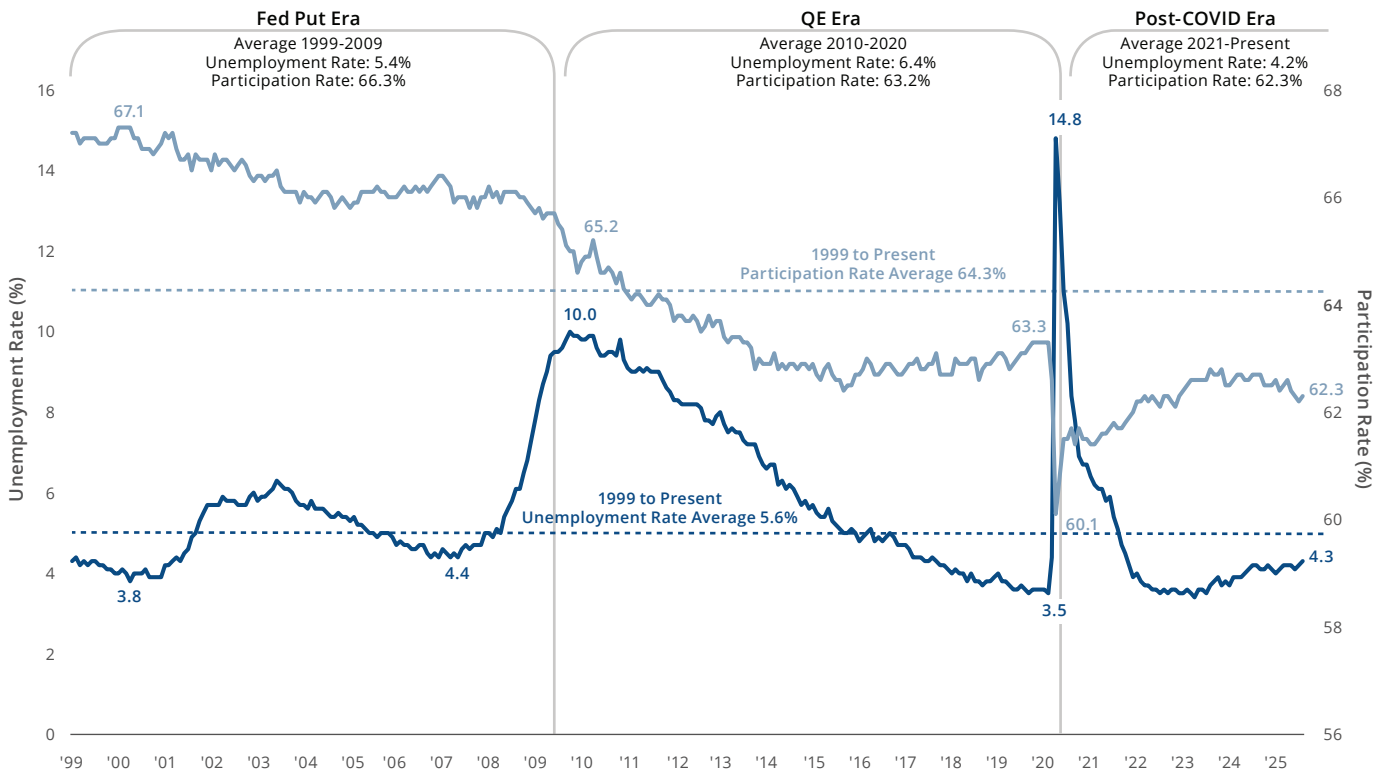
ECONOMY

Source: U.S. Bureau of Labor Statistics and Aristotle Pacific Capital as of 8/31/2025.

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Labor Market

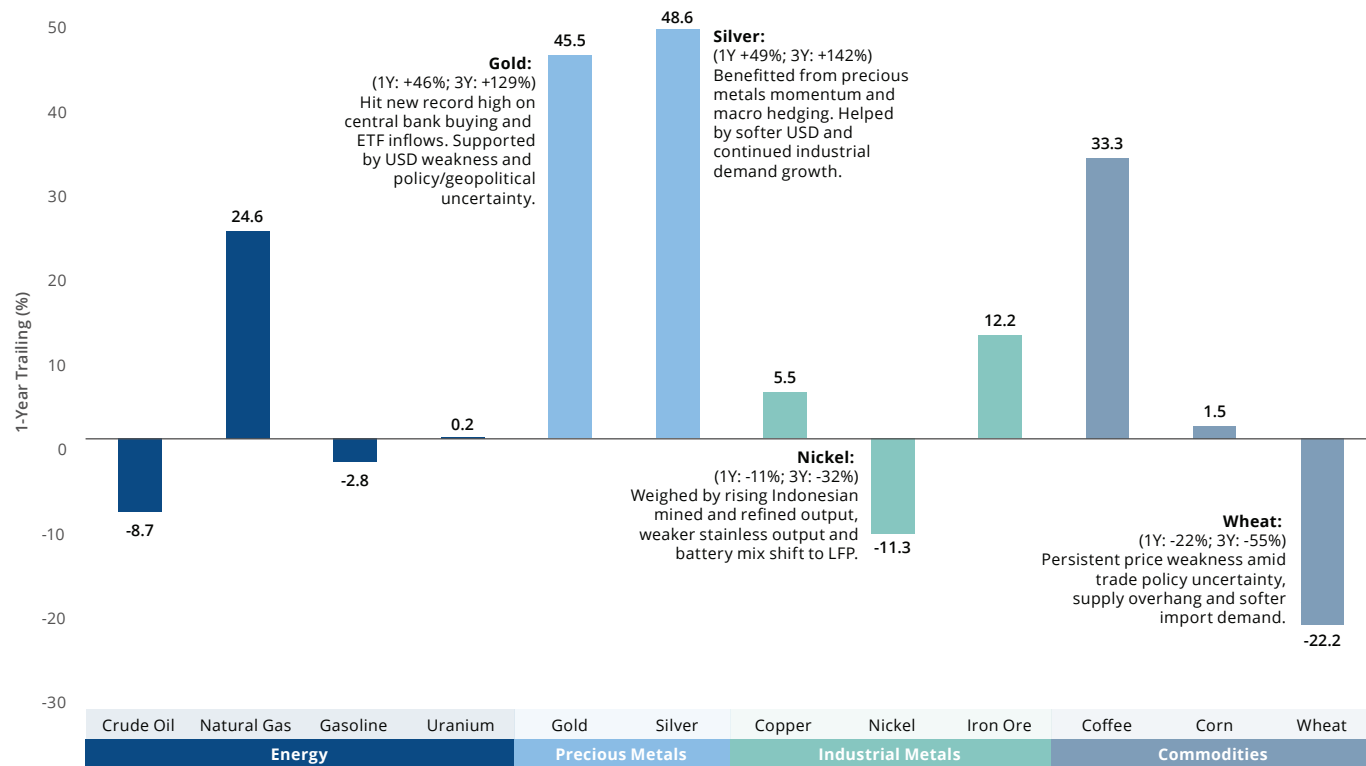
U.S. UNEMPLOYMENT VS. PARTICIPATION



Source: U.S. Bureau of Labor Statistics and Aristotle Pacific Capital as of 8/31/2025.

Commodity Performance

1-YEAR TRAILING PERFORMANCE



Past performance does not guarantee future results. Source: FactSet and Aristotle Pacific Capital as of 9/30/2025.

SECTION 3

Global Policy Rates

Global Yields

Central Bank Balance Sheets

Inflation and Yields

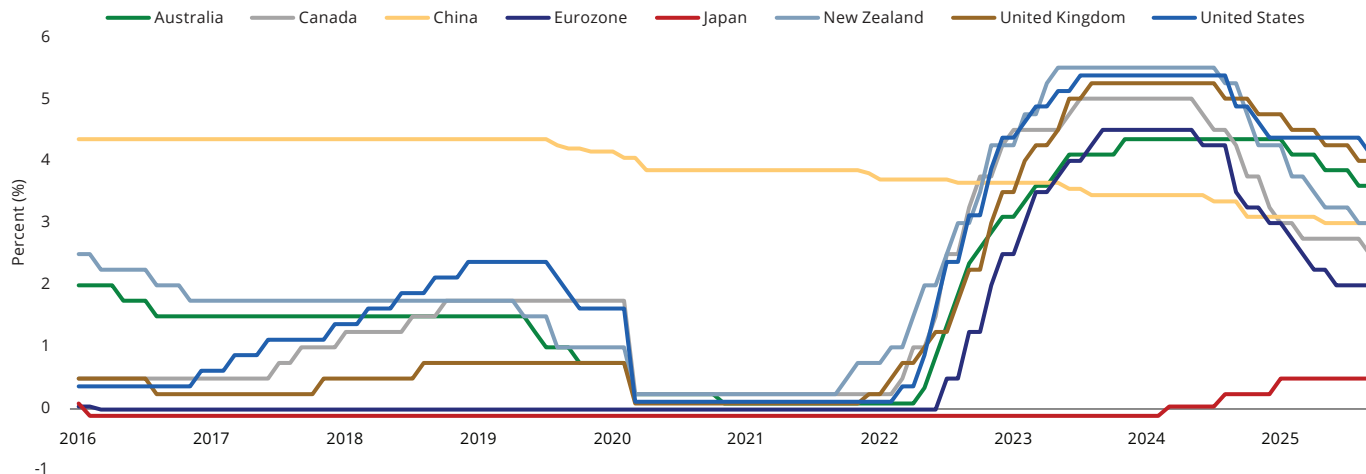
Systemic Liquidity



MONETARY POLICY

Global Policy Rates

MAJOR CENTRAL BANK POLICY RATES

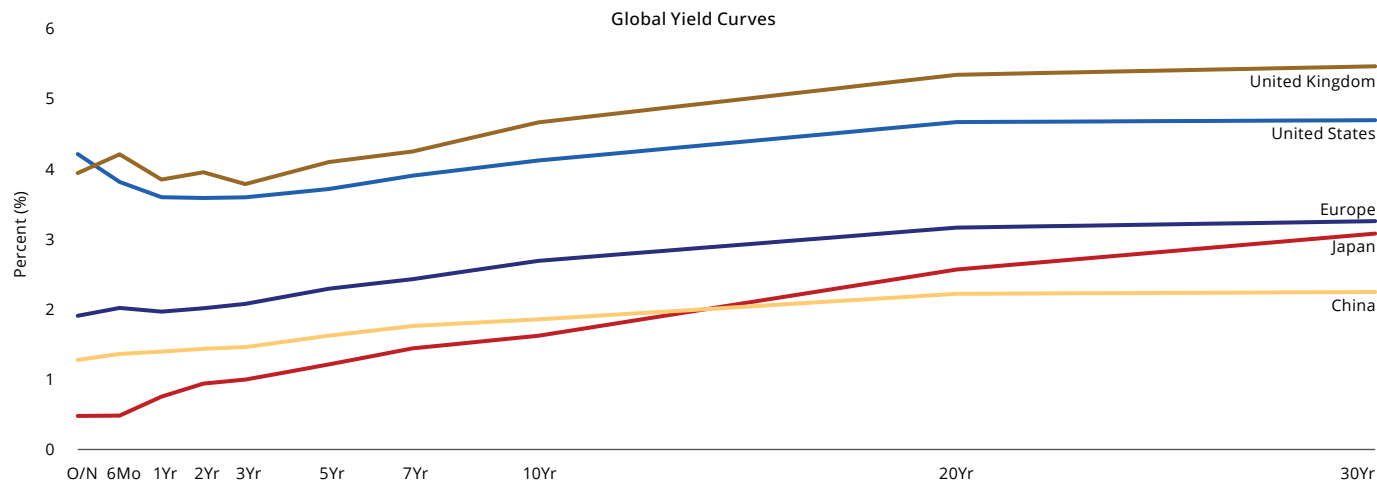


	Policy Rate (%)		Annual Change (%)					Total Change (%)	
	2019	2020	2021	2022	2023	2024	YTD 2025	Jan 2021 to Present	
United States	1.625	-1.50	0.00	4.25	1.00	-1.00	-0.25	4.00	
Japan	-0.10	0.00	0.00	0.00	0.00	0.35	0.25	0.60	
Eurozone	0.00	0.00	0.00	2.50	2.00	-1.50	-1.00	2.00	
United Kingdom	0.75	-0.65	0.15	3.25	1.75	-0.50	-0.75	3.90	
Canada	1.75	-1.50	0.00	4.00	0.75	-1.75	-0.75	2.25	
Australia	0.75	-0.65	0.00	3.00	1.25	0.00	-0.75	3.50	
New Zealand	1.00	-0.75	0.50	3.50	1.25	-1.25	-1.25	2.75	
China	4.15	-0.30	-0.05	-0.15	-0.20	-0.35	-0.10	-0.85	

Source: Bank for International Settlements (BIS) and Aristotle Pacific Capital as of 9/30/2025.

Global Yields

GOVERNMENT BOND YIELD CURVES

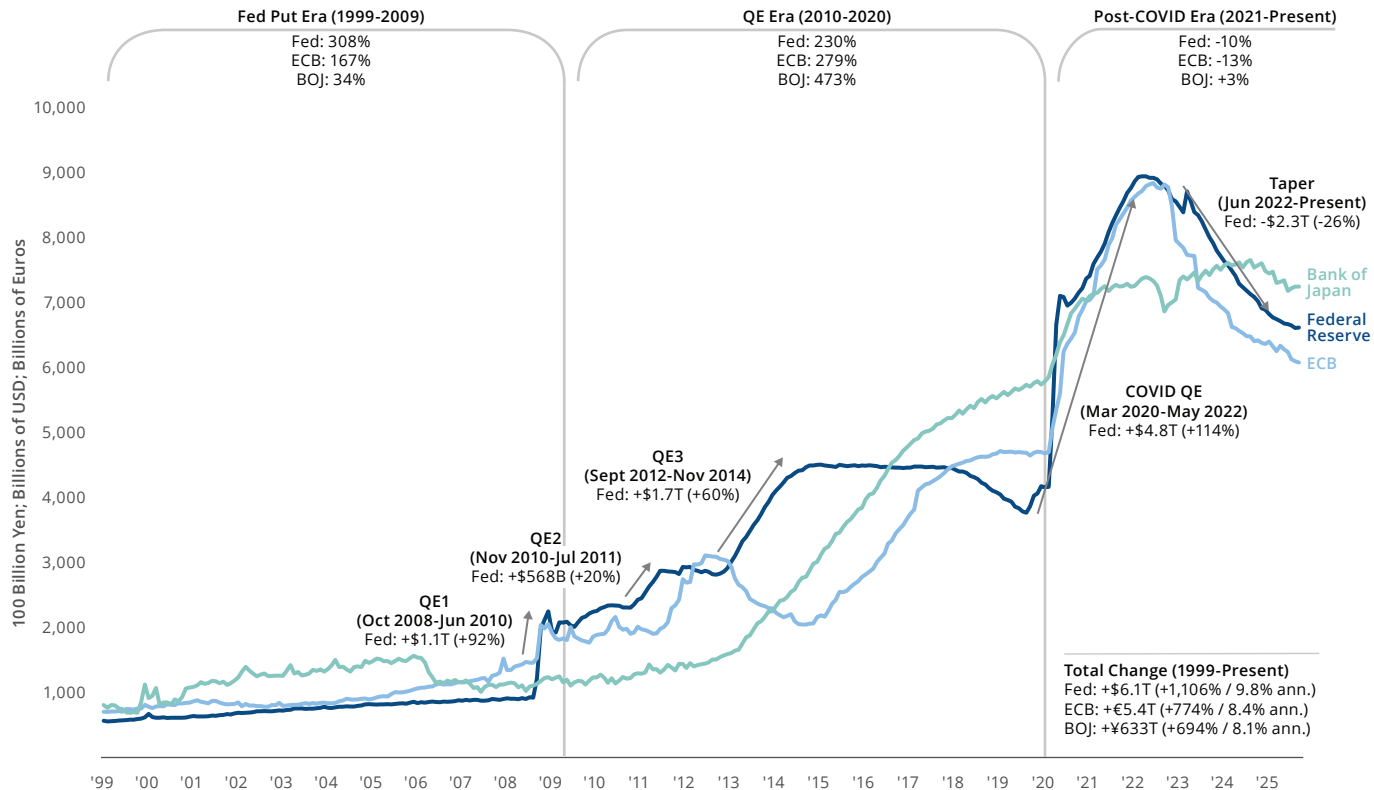


	Government Bond Yields (%)					
	6-Month	2-Year	5-Year	10-Year	20-Year	30-Year
US	3.84	3.61	3.74	4.15	4.70	4.73
Europe	2.03	2.03	2.31	2.71	3.18	3.28
UK	4.24	3.98	4.13	4.70	5.38	5.50
Japan	0.48	0.94	1.22	1.63	2.58	3.10
China	1.37	1.44	1.63	1.87	2.23	2.26

Past performance does not guarantee future results. Source: FactSet, Bloomberg, and Aristotle Pacific Capital as of 9/30/2025.

Central Bank Balance Sheets

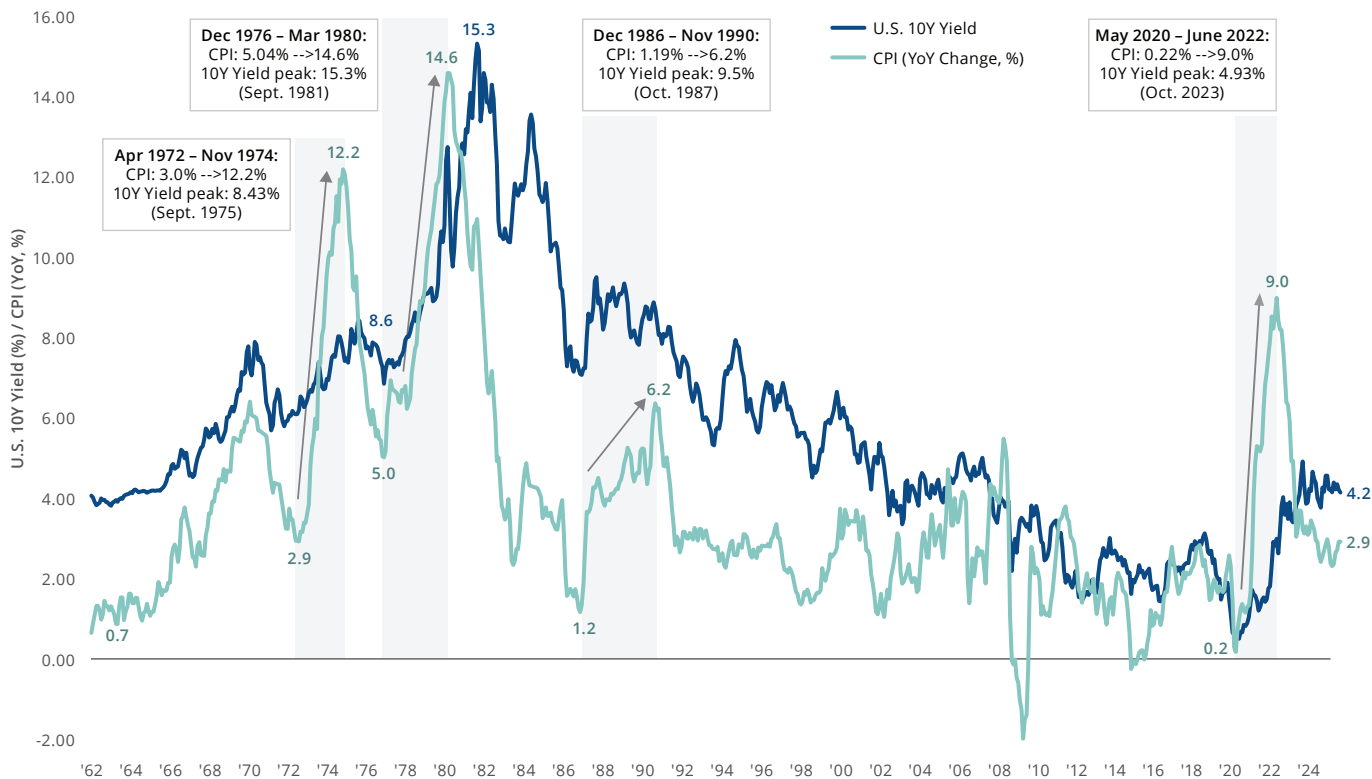
FEDERAL RESERVE (FED), EUROPEAN CENTRAL BANK (ECB) AND BANK OF JAPAN (BOJ)



Source: Board of Governors of the Federal Reserve System (US), European Central Bank, Bank of Japan, and Aristotle Pacific Capital as of 9/30/2025.

Inflation and Yields

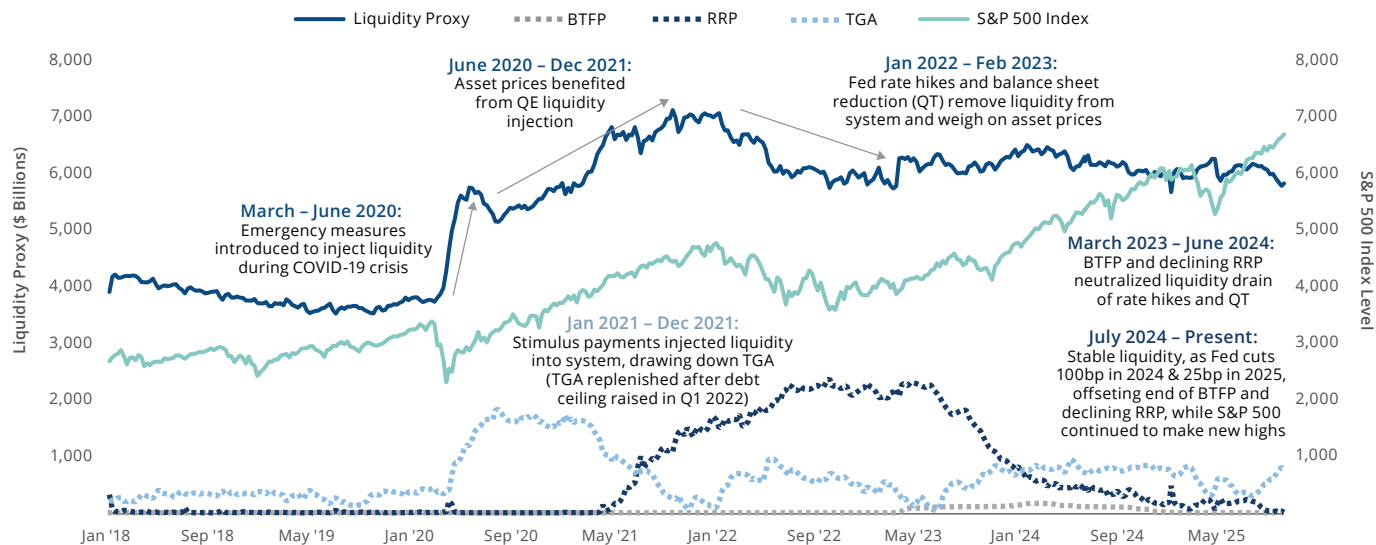
U.S. 10-YEAR YIELD VS. CPI (YOY%)



Past performance does not guarantee future results. Source: Board of Governors of the Federal Reserve System (US), U.S. Bureau of Labor Statistics (BLS), and Aristotle Pacific Capital as of 9/30/2025.

Systemic Liquidity

FED TOTAL ASSETS + BTFP - RRP - TGA VS. S&P 500 INDEX LEVEL



RRP (Reverse Repurchase Agreement): A tool to manage short-term money market stability and ensure smooth market functioning. A decline in RRP indicates less excess liquidity in the system.

BTFP (Bank Term Funding Program): Launched in March 2023 to provide temporary funding to banks for up to one year, using high-quality collateral. It expired in March 2024 and helped stabilize markets during a critical period.

TGA (Treasury General Account): This is the Treasury's main account at the Fed (aka the Treasury's primary checking account). It rises with government borrowing and/or tax receipts and falls when the Treasury spends, adding liquidity to the financial system.

SECTION 4



Cross-Asset Performance Heat Map

Cross-Asset Performance

Liquid Frontier

Market Size

Cross-Asset Correlations

Yields vs. Treasuries

OAS Relative to History

Cross-Asset Performance Heat Map

TOTAL RETURN (YTD %)

EQUITIES	FIXED INCOME	ALTERNATIVES
China Equity 41.6%	EM Bonds 8.5%	Bitcoin 22.3%
EM Equity 27.5%	HY Corp 7.2%	Real Assets 11.5%
Global ex-U.S. Equity 26.0%	IG Corp 6.9%	Hedge Funds 10.1%
U.S. Large Cap Growth 19.5%	MBS 6.8%	GSCI 6.1%
U.S. Large Cap 14.8%	U.S. Agg 6.1%	CLO - BBB 5.5%
U.S. Large Cap Value 9.7%	Treasuries 5.4%	REITs 4.7%
U.S. Mid Cap 5.8%	Bank Loans 4.7%	CLO - AAA 4.2%
U.S. Small Cap 4.2%	T-Bills 3.2%	BDCs -5.5%

Past performance does not guarantee future results. Source: Barclays, Bloomberg, S&P, FactSet, J.P. Morgan, MSCI, Preqin, and Standard & Poor's as of 9/30/2025.

Bank Loans: S&P UBS Leveraged Loan Index; BDCs: S&P BDC Index; Bitcoin: Bitcoin (XBT/USD); China Equity: MSCI China Index (Net); CLO - AAA: J.P. Morgan CLOIE - AAA; CLO - BBB: J.P. Morgan CLOIE - BBB; EM Bonds: Bloomberg EM USD Aggregate Index; EM Equity: MSCI EM Index (Net); Global ex-U.S. Equity: MSCI ACWI ex U.S. Index (Net); GSCI: S&P Goldman Sachs Commodity Index (GSCI); Hedge Funds: Barclay Hedge Fund Index; HY Corp: Bloomberg U.S. Corporate High Yield Bond Index; IG Corp: Bloomberg U.S. Corporate Bond Index; MBS: Bloomberg U.S. Mortgage-Backed Securities (MBS) Index; Real Assets: S&P Real Assets Index; REITs: MSCI U.S. REIT Index; T-Bills: Bloomberg U.S. Treasury Bills 1-3 Month Index; Treasuries: Bloomberg U.S. Treasury Index; U.S. Agg: Bloomberg U.S. Aggregate Bond Index; U.S. Large Cap Growth: S&P 500 Growth Index; U.S. Large Cap Value: S&P 500 Value Index; U.S. Large Cap: S&P 500 Index; U.S. Mid Cap: S&P Midcap 400 Index; U.S. Small Cap: S&P SmallCap 600 Index.

Cross-Asset Performance

ANNUAL AND TRAILING (%)

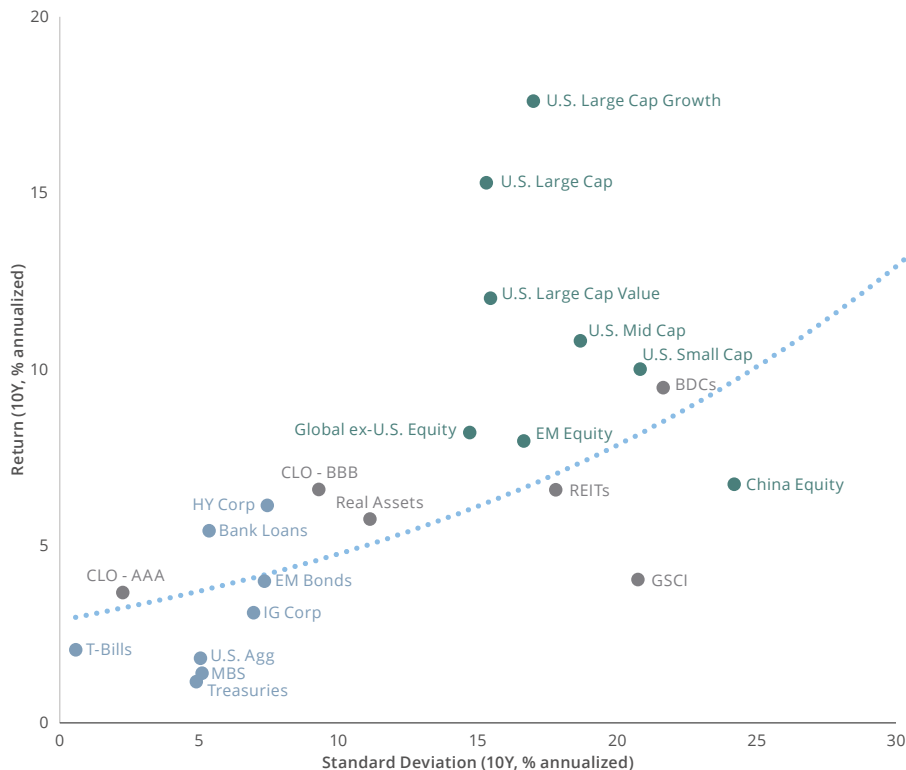
		2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD	1Y	3Y	5Y	10Y
FIXED INCOME	Bloomberg U.S. Treasury Bills 1-3 Month Index	0.26	0.82	1.82	2.21	0.54	0.04	1.52	5.14	5.32	3.25	4.47	4.87	3.04	2.08
	Bloomberg U.S. Treasury Index	1.04	2.31	0.86	6.86	8.00	-2.32	-12.46	4.05	0.58	5.36	2.06	3.56	-1.33	1.17
	Bloomberg U.S. Aggregate Bond Index	2.65	3.54	0.01	8.72	7.51	-1.54	-13.01	5.53	1.25	6.13	2.88	4.93	-0.45	1.84
	Bloomberg U.S. Mortgage-Backed Securities (MBS) Index	1.67	2.47	0.99	6.35	3.87	-1.04	-11.81	5.05	1.20	6.76	3.39	5.05	-0.14	1.41
	Bloomberg U.S. Corporate Bond Index	6.11	6.42	-2.51	14.54	9.89	-1.04	-15.76	8.52	2.13	6.88	3.63	7.07	0.35	3.12
	Bloomberg U.S. Corporate High Yield Bond Index	17.13	7.50	-2.08	14.32	7.11	5.28	-11.19	13.45	8.19	7.22	7.41	11.09	5.55	6.17
	S&P UBS Leveraged Loan Index	9.88	4.25	1.14	8.17	2.78	5.40	-1.06	13.04	9.05	4.69	7.09	9.72	6.88	5.45
	Bloomberg EM USD Aggregate Index	9.88	8.17	-2.46	13.11	6.52	-1.65	-15.26	9.09	6.58	8.51	6.91	10.38	1.90	4.02
EQUITY	S&P 500 Index	11.96	21.83	-4.38	31.49	18.40	28.71	-18.11	26.29	25.02	14.83	17.60	24.94	16.47	15.30
	S&P Midcap 400 Index	20.74	16.24	-11.08	26.20	13.66	24.76	-13.06	16.44	13.93	5.76	6.13	15.84	13.61	10.82
	S&P SmallCap 600 Index	26.56	13.23	-8.48	22.78	11.29	26.82	-16.10	16.05	8.70	4.24	3.64	12.82	12.94	10.03
	S&P 500 Value Index	17.40	15.36	-8.95	31.93	1.36	24.90	-5.22	22.23	12.29	9.68	6.76	19.58	15.33	12.04
	S&P 500 Growth Index	6.89	27.44	-0.01	31.13	33.47	32.01	-29.41	30.03	36.07	19.53	26.91	28.98	16.88	17.62
	MSCI ACWI ex U.S. Index (Net)	4.50	27.19	-14.20	21.51	10.65	7.82	-16.00	15.62	5.53	26.02	16.45	20.67	10.26	8.23
	MSCI EM Index (Net)	11.19	37.28	-14.58	18.44	18.31	-2.54	-20.09	9.83	7.50	27.53	17.32	18.21	7.02	7.99
	MSCI China Index (Net)	0.90	54.07	-18.88	23.46	29.49	-21.72	-21.93	-11.20	19.42	41.62	30.76	19.46	0.41	6.77
ALTERNATIVES AND OTHER	J.P. Morgan CLOIE - AAA	3.19	2.78	1.66	4.61	2.54	1.40	1.05	8.68	7.06	4.17	5.83	7.52	4.69	3.70
	J.P. Morgan CLOIE - BBB	11.18	8.78	-0.66	8.91	5.47	4.30	-2.77	17.66	11.79	5.47	8.14	13.27	8.30	6.62
	S&P Goldman Sachs Commodity Index (GSCI)	11.37	5.77	-13.82	17.63	-23.72	40.35	25.99	-4.27	9.25	6.09	10.13	4.70	17.57	4.07
	MSCI U.S. REIT Index	8.60	5.07	-4.57	25.84	-7.57	43.06	-24.51	13.74	8.75	4.72	-1.69	10.87	9.30	6.61
	Barclay Hedge Fund Index	6.09	10.32	-5.24	10.63	11.14	10.23	-8.22	9.28	9.67	10.15	10.37	10.97	7.86	6.34
	S&P BDC Index	24.18	0.64	-7.01	28.16	-8.84	37.42	-9.39	27.58	16.61	-5.49	0.34	16.18	15.56	9.50
	S&P Real Assets Index	10.85	11.16	-5.92	17.19	1.16	15.43	-9.94	7.83	3.61	11.48	6.15	10.15	7.38	5.78
	Bitcoin (XBT/USD)	120.31	1375.10	-73.84	94.83	305.08	59.79	-64.30	157.01	120.63	22.33	79.73	80.76	60.69	85.56
	Preqin Private Equity Index*	9.81	18.86	12.39	15.56	23.18	40.99	-2.35	6.02	7.11	1.06	6.71	3.62	15.60	13.54
Preqin Private Debt Index*	8.38	12.67	5.82	7.70	4.24	20.24	4.46	9.36	8.81	1.84	7.92	7.51	10.84	8.52	

Past performance does not guarantee future results. Source: Barclays, Bloomberg, FactSet, J.P. Morgan, MSCI, Preqin, Standard & Poor's, as of 9/30/2025.

*Latest data available as of 3/31/2025.

Liquid Frontier

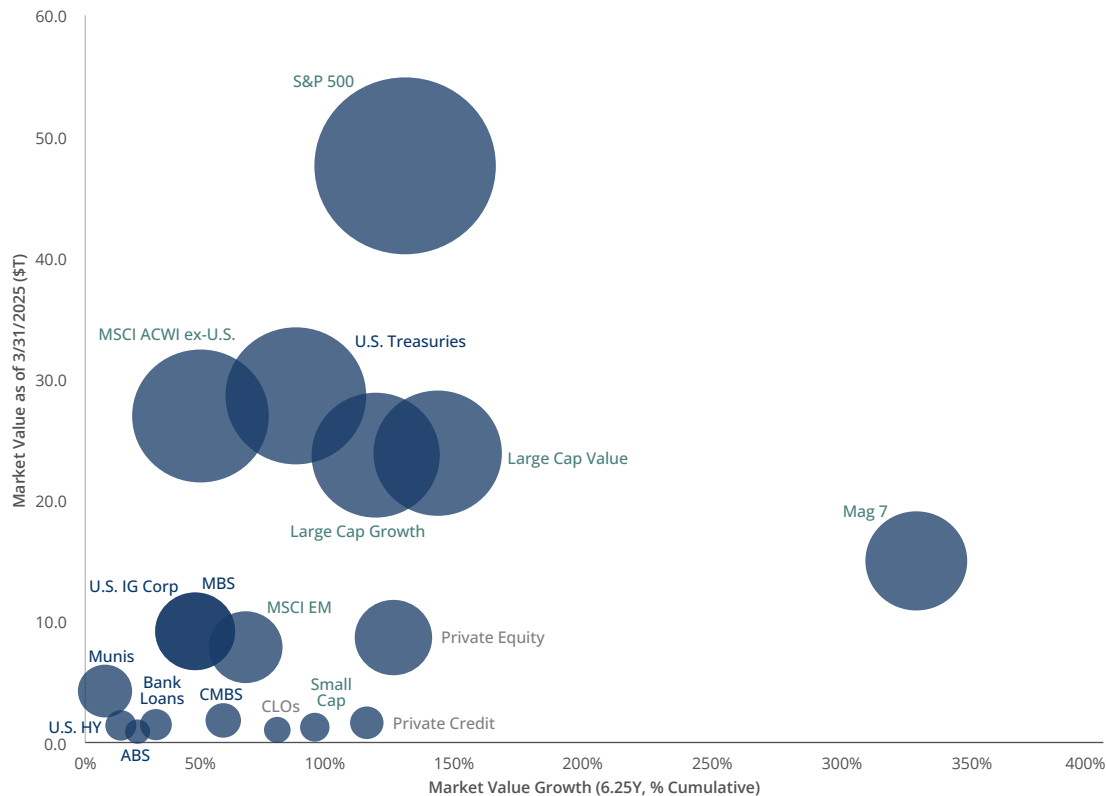
TRANSPARENT MARKETS RISK/RETURN



Past performance does not guarantee future results. Source: Barclays, Bloomberg, FactSet, FTSE, Ice BofA, J.P. Morgan, MSCI, Preqin, Standard & Poor's as of 9/30/2025. Blue represents fixed income, gray represents alternatives, and teal represents equities. Bank Loans: S&P UBS Leveraged Loan Index; BDCs: S&P BDC Index; Bitcoin: Bitcoin (XBT/USD); China Equity: MSCI China Index (Net); CLO - AAA: J.P. Morgan CLOIE - AAA; CLO - BBB: J.P. Morgan CLOIE - BBB; EM Bonds: Bloomberg EM USD Aggregate Index; EM Equity: MSCI EM Index (Net); Global ex-U.S. Equity: MSCI ACWI ex U.S. Index (Net); GSCI: S&P Goldman Sachs Commodity Index (GSCI); Hedge Funds: Barclay Hedge Fund Index; HY Corp: Bloomberg U.S. Corporate High Yield Bond Index; IG Corp: Bloomberg U.S. Corporate Bond Index; MBS: Bloomberg U.S. Mortgage-Backed Securities (MBS) Index; Real Assets: S&P Real Assets Index; REITs: MSCI U.S. REIT Index; T-Bills: Bloomberg U.S. Treasury Bills 1-3 Month Index; Treasuries: Bloomberg U.S. Treasury Index; U.S. Agg: Bloomberg U.S. Aggregate Bond Index; U.S. Large Cap Growth: S&P 500 Growth Index; U.S. Large Cap Value: S&P 500 Value Index; U.S. Large Cap: S&P 500 Index; U.S. Mid Cap: S&P Midcap 400 Index; U.S. Small Cap: S&P SmallCap 600 Index.

Market Size

ASSET CLASS MARKET VALUE AS OF 3/31/2025 (\$T) VS. 6.25-YEAR CUMULATIVE MARKET VALUE GROWTH



Source: Bloomberg, BofA, Standard & Poor's, FactSet, Preqin, SIFMA, as of 3/31/2025.

Cross-Asset Correlations: 5-Year Trailing

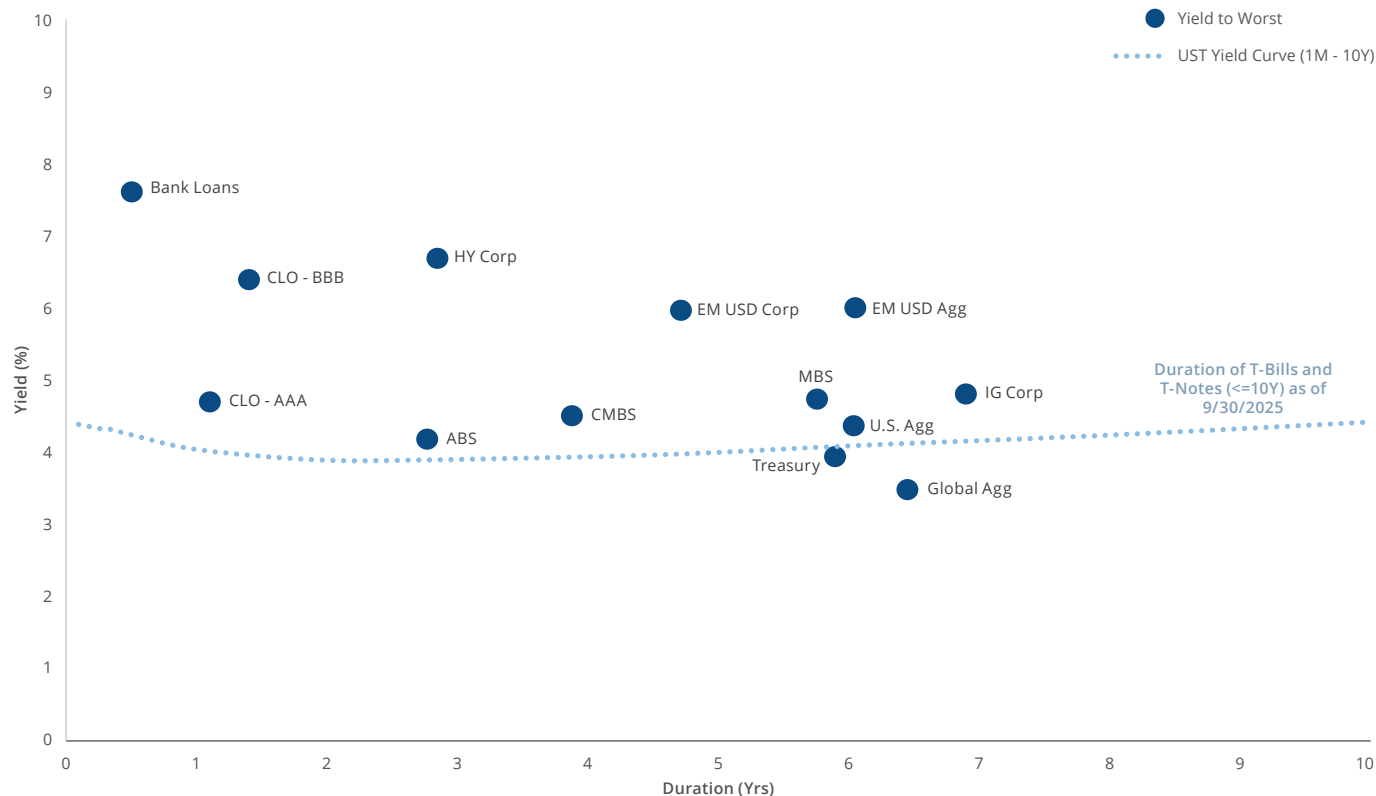
		FIXED INCOME							EQUITIES								ALTERNATIVES & OTHER							
		T Bills	UST	US Agg	MBS	IG Corp	US HY	Bank Loans	EM USD Agg	US Large	US Mid	US Small	US LCG	US LCV	Global ex-US	China	EM	CLO-AAA	CLO-BBB	GSCI	REITs	BDCs	Real Assets	Bitcoin
FIXED INCOME	T Bills	1.00																						
	UST	0.26	1.00																					
	US Agg	0.24	0.98	1.00																				
	MBS	0.21	0.95	0.98	1.00																			
	IG Corp	0.24	0.94	0.98	0.94	1.00																		
	HY Corp	0.20	0.67	0.76	0.74	0.82	1.00																	
	Bank Loans	0.27	0.23	0.32	0.30	0.40	0.66	1.00																
	EM USD Agg	0.32	0.81	0.87	0.84	0.92	0.83	0.56	1.00															
EQUITIES	US Large Cap	0.08	0.53	0.62	0.60	0.70	0.83	0.55	0.72	1.00														
	US Mid Cap	-0.02	0.42	0.53	0.54	0.61	0.81	0.59	0.65	0.89	1.00													
	US Small Cap	-0.06	0.41	0.51	0.53	0.58	0.77	0.56	0.60	0.80	0.96	1.00												
	US LCG	0.13	0.52	0.58	0.55	0.67	0.76	0.50	0.66	0.95	0.75	0.65	1.00											
	US LCV	0.00	0.47	0.57	0.57	0.64	0.79	0.53	0.68	0.90	0.93	0.87	0.72	1.00										
	Global ex-US	0.12	0.62	0.71	0.69	0.78	0.82	0.58	0.85	0.81	0.79	0.74	0.70	0.83	1.00									
	China	0.19	0.38	0.41	0.40	0.42	0.19	0.20	0.51	0.14	0.13	0.13	0.13	0.13	0.47	1.00								
	EM Equity	0.15	0.54	0.62	0.61	0.68	0.64	0.52	0.80	0.61	0.57	0.54	0.56	0.58	0.86	0.75	1.00							
ALTERNATIVES AND OTHER	CLO-AAA	0.59	0.34	0.40	0.38	0.46	0.53	0.83	0.63	0.44	0.41	0.37	0.42	0.40	0.54	0.37	0.53	1.00						
	CLO-BBB	0.30	0.33	0.40	0.39	0.47	0.52	0.86	0.63	0.47	0.47	0.45	0.42	0.45	0.61	0.40	0.62	0.90	1.00					
	GSCI	-0.32	-0.21	-0.14	-0.12	-0.08	0.17	0.25	-0.04	0.23	0.28	0.27	0.11	0.34	0.26	0.02	0.20	0.00	0.20	1.00				
	REITs	-0.04	0.59	0.67	0.67	0.71	0.78	0.54	0.71	0.86	0.84	0.79	0.75	0.86	0.78	0.19	0.56	0.41	0.51	0.19	1.00			
	BDCs	-0.08	0.20	0.30	0.31	0.40	0.64	0.69	0.47	0.72	0.76	0.74	0.59	0.77	0.65	0.09	0.44	0.52	0.62	0.51	0.67	1.00		
	Real Assets	-0.01	0.65	0.73	0.73	0.79	0.84	0.54	0.79	0.83	0.83	0.78	0.68	0.89	0.91	0.32	0.71	0.43	0.53	0.35	0.90	0.68	1.00	
	Bitcoin	-0.01	0.11	0.16	0.16	0.22	0.43	0.38	0.22	0.52	0.58	0.51	0.50	0.45	0.36	-0.03	0.24	0.19	0.23	0.11	0.41	0.37	0.38	1.00

≥ to 0.80

≤ to 0.20

Sources: Bloomberg, FactSet, J.P. Morgan, MSCI, Standard & Poor's, as of 9/30/2025. Bank Loans: S&P UBS Leveraged Loan Index; BDCs: S&P BDC Index; Bitcoin: Bitcoin (XBT/USD); China Equity: MSCI China Index (Net); CLO - AAA: J.P. Morgan CLOIE - AAA; CLO - BBB: J.P. Morgan CLOIE - BBB; EM Bonds: Bloomberg EM USD Aggregate Index; EM Equity: MSCI EM Index (Net); Global ex-U.S. Equity: MSCI ACWI ex U.S. Index (Net); GSCI: S&P Goldman Sachs Commodity Index (GSCI); Hedge Funds: Barclay Hedge Fund Index; HY Corp: Bloomberg U.S. Corporate High Yield Bond Index; IG Corp: Bloomberg U.S. Corporate Bond Index; MBS: Bloomberg U.S. Mortgage-Backed Securities (MBS) Index; Real Assets: S&P Real Assets Index; REITs: MSCI U.S. REIT Index; T-Bills: Bloomberg U.S. Treasury Bills 1-3 Month Index; Treasuries: Bloomberg U.S. Treasury Index; U.S. Agg: Bloomberg U.S. Aggregate Bond Index; U.S. Large Cap Growth: S&P 500 Growth Index; U.S. Large Cap Value: S&P 500 Value Index; U.S. Large Cap: S&P 500 Index; U.S. Mid Cap: S&P Midcap 400 Index; U.S. Small Cap: S&P SmallCap 600 Index. 5Y Trailing Correlation as of 9/30/2025, monthly returns.

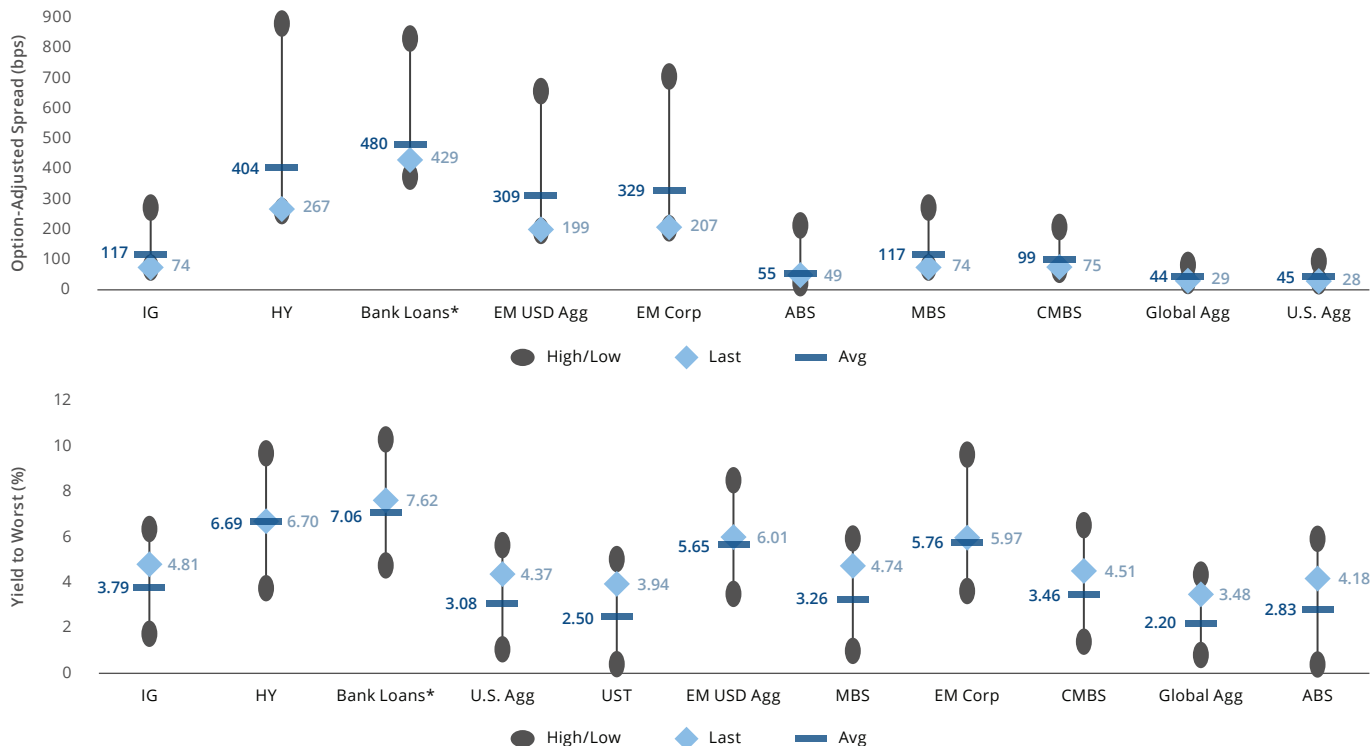
Yields vs. Treasuries



Past performance does not guarantee future results. Source: Aristotle Pacific Capital, Barclays, Bloomberg, Standard & Poor's, FactSet, J.P. Morgan as of 9/30/2025. Bank Loans: S&P UBS Leveraged Loan Index; CLO - AAA: J.P. Morgan CLOIE - AAA; CLO - BBB: J.P. Morgan CLOIE - BBB; ABS: Bloomberg U.S. Asset-Backed Securities (ABS) Index; HY Corp: Bloomberg U.S. Corporate High Yield Bond Index; CMBS: Bloomberg U.S. Mortgage-Backed Securities (CMBS) Index; EM USD Corp: Bloomberg EM Corporate Bond Index; MBS: Bloomberg U.S. Mortgage-Backed Securities (MBS) Index; Treasury: Bloomberg U.S. Treasury Index; EM USD Agg: Bloomberg EM USD Aggregate; U.S. Agg: Bloomberg U.S. Aggregate Bond Index; IG Corp: Bloomberg U.S. Corporate Bond Index; Global Agg: Bloomberg Global Aggregate Index.

10-Year Range: OAS and Yield

4



Past performance does not guarantee future results. Source: Aristotle Pacific Capital, Barclays, Bloomberg, Standard & Poor's, J.P. Morgan as of 9/30/2025.
 *Bank Loan spread and yield refers to the Discount Margin (4-year life) and Yield (4-year life), respectively.

MARKETS

SECTION 5

Returns and Composition

Yield and Spread

Issuance

Potential Downgrade Profile

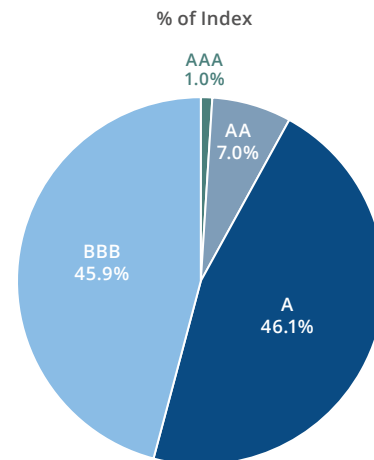
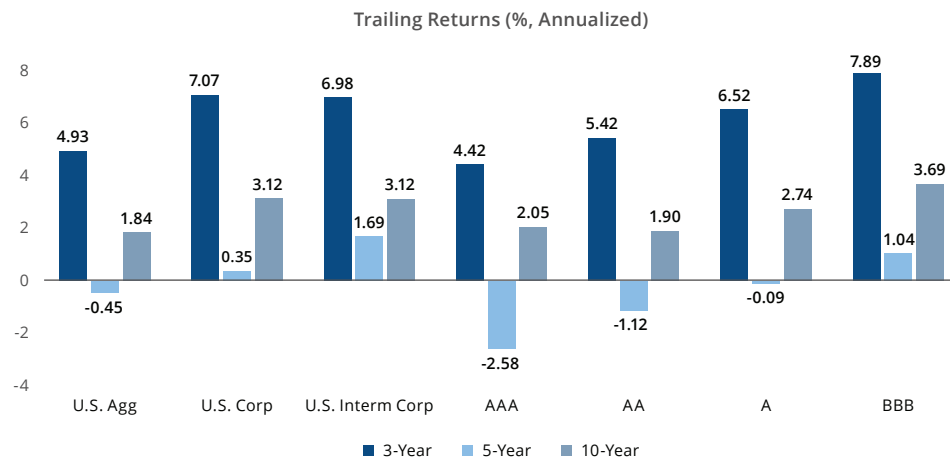
Rising Stars and Fallen Angels



INVESTMENT GRADE

Investment Grade: Returns and Composition

QUALITY, ANNUALIZED RETURNS AND TRAILING RETURNS

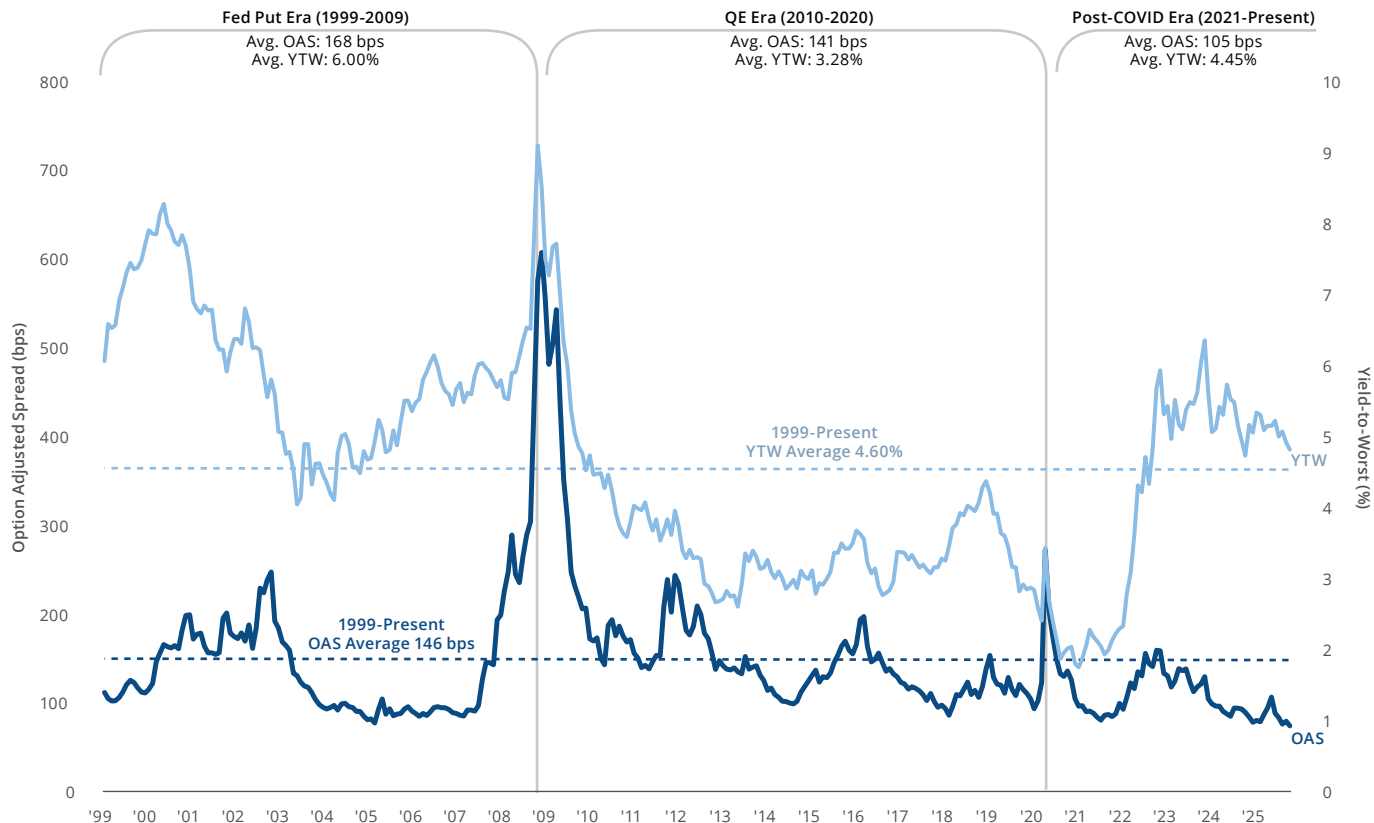


Annual Returns (%)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Bloomberg U.S. Aggregate Bond Index	2.65	3.54	0.01	8.72	7.51	-1.54	-13.01	5.53	1.25	6.13
Bloomberg U.S. Corporate Bond Index	6.11	6.42	-2.51	14.54	9.89	-1.04	-15.76	8.52	2.13	6.88
Bloomberg U.S. Interm. Corporate Bond Index	4.04	3.92	-0.23	10.14	7.47	-1.00	-9.40	7.29	4.22	6.58
AAA-Rated	3.39	8.03	-2.08	14.75	12.30	-2.26	-20.32	6.95	-2.35	6.29
AA-Rated	3.60	4.63	-0.52	10.53	9.00	-1.46	-17.29	7.02	0.24	6.24
A-Rated	4.65	5.95	-2.50	13.18	10.06	-1.93	-15.15	7.74	1.63	6.85
BBB-Rated	8.04	7.09	-2.85	16.26	9.88	-0.22	-15.90	9.51	2.97	7.03

Past performance does not guarantee future results. Source: Bloomberg, FactSet, eVestment, and Aristotle Pacific Capital as of 9/30/2025.

Investment Grade: Yield and Spread

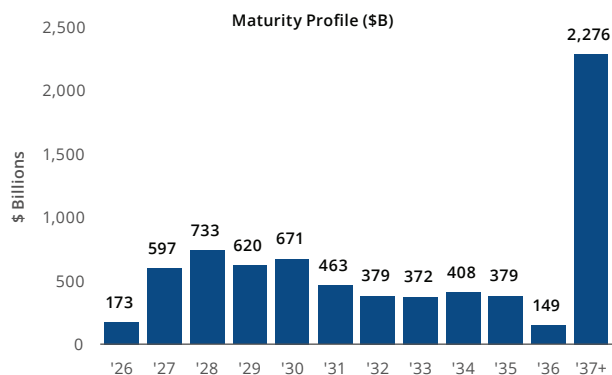
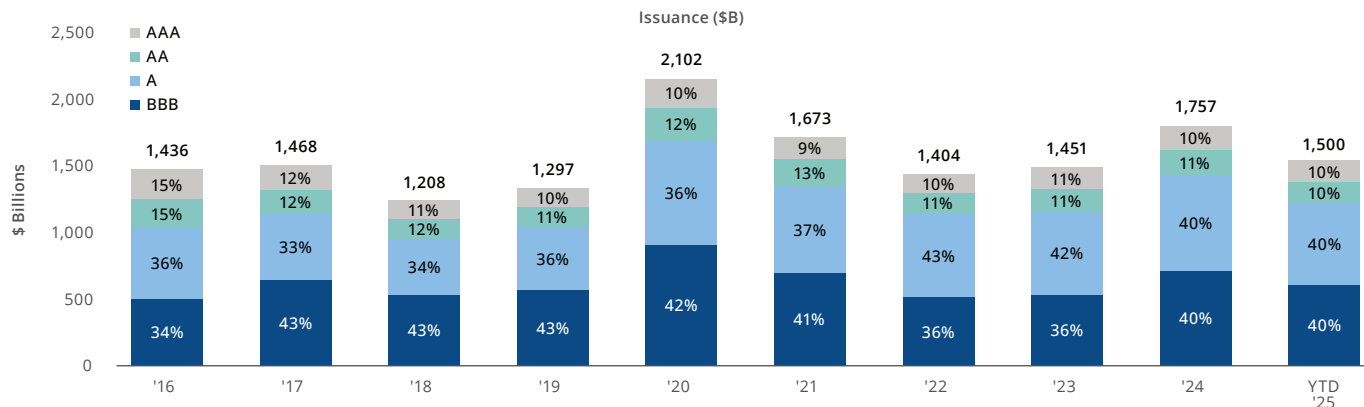
BLOOMBERG US CORPORATE BOND INDEX



Past performance does not guarantee future results. Source: Bloomberg, FactSet, and Aristotle Pacific Capital as of 9/30/2025.

Investment Grade: Issuance

ISSUANCE, MATURITY PROFILE AND TOP 10 ISSUERS



Issuer	Industry	Par Value (\$B)	Index Weight (%)*
J.P. Morgan Chase	Financials	182	2.5
Bank of America	Financials	167	2.2
Morgan Stanley	Financials	143	2.0
Citigroup	Financials	117	1.6
Wells Fargo	Financials	117	1.6
Goldman Sachs	Financials	116	1.6
HSBC	Financials	82	1.2
AT&T	Communication Svcs	86	1.0
Berkshire Hathaway	Financials	78	1.0
Oracle	Information Tech	77	1.0

*As a percentage of the Bloomberg US Corporate Bond Index Source: Barclays, Bloomberg, FactSet, and Aristotle Pacific Capital as of 9/30/2025. Any discussion of individual companies in this presentation is not intended as a recommendation to buy, hold or sell securities issued by those companies.

Investment Grade: Potential Downgrade Profile

SHARE OF BBB- DEBT WITH NEGATIVE OUTLOOK IN INDEX*

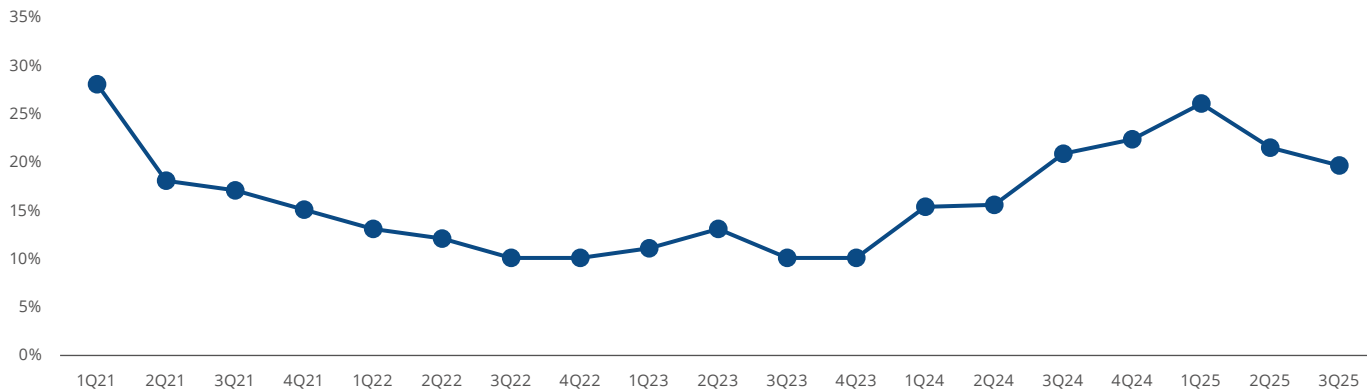


Table of Issuers on Negative Watch					
Issuer	Industry	# of Bonds	Par Value (\$B)	Market Value	Index Weight (%)*
Ford Motor	Consumer Disc	36	44.0	44.3	0.6
Boeing	Industrials	35	43.4	43.9	0.6
Edison International	Utilities	52	31.6	29.4	0.4
Crown Castle	Real Estate	23	16.9	15.8	0.2
Centene	Healthcare	7	15.9	14.9	0.2
Paramount	Communication Svcs	17	12.7	11.8	0.2
Emera	Utilities	12	5.5	4.9	0.1
FS KKR	Financials	6	3.4	3.3	0.0
Huntington Ingalls	Industrials	5	2.7	2.7	0.0
FMC Corp	Materials	5	2.5	2.4	0.0
TOTAL		198	178.5	173.3	2.4

*Based on the Bloomberg US Corporate Bond Index and ratings from S&P, and Moody's. Source: J.P. Morgan, Bloomberg, S&P Ratings, Moody's and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

Investment Grade: Rising Stars and Fallen Angels

▲ Rising Stars ▲				
Date	Issuer	Sector	Country	Rated Debt Affected (\$mm)
Jan 25	Castlelake Aviation	Finance Companies	U.S.	420
Jan 25	News Corp	Media & Entertainment	U.S.	1,500
Feb 25	Coty	Retail	U.S.	1,500
Feb 25	Western Alliance	Financials	U.S.	600
Mar 25	GFL Environmental	Services	U.S.	1,750
Mar 25	United Airlines	Transportation	U.S.	4,000
May 25	CTR Partnership	Healthcare	U.S.	400
May 25	DT Midstream	Energy	U.S.	2,100
May 25	Ohio National Financial Services	Financials	U.S.	675
May 25	Royal Caribbean Cruises	Travel	U.S.	9,700
May 25	Viper Energy Partners	Energy	U.S.	830
May 25	Ladder Capital Finance	REITs	U.S.	2,042
Jun 25	HAT Holdings I	Finance Companies	U.S.	997
Aug 25	Vertiv Group Corporation	Capital Goods	U.S.	850
Sep 25	180 Medical	Healthcare	U.S.	500
Sep 25	Louisiana-Pacific	Paper/Packaging	U.S.	350
▼ Fallen Angels ▼				
Date	Issuer	Sector	Country	Rated Debt Affected (\$mm)
Jan 25	Aptiv PLC	Automotive	U.S.	500
Feb 25	Celanese	Chemicals	U.S.	8,150
Feb 25	Nissan Motor Acceptance	Automotive	U.S.	10,950
Apr 25	GFL Environmental	Environmental Services	U.S.	1,000
May 25	Whirlpool	Consumer Products	U.S.	3,150
Jun 25	WarnerMedia Holdings	Media & Entertainment	U.S.	33,010
Jul 25	Huntsman International	Chemicals	U.S.	1,500
Aug 25	PacifiCorp	Utilities	U.S.	850
Aug 25	BlackRock TCP Capital Corp.	Financial	U.S.	650

Source: Bank of America, J.P. Morgan, and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

SECTION 6

Returns and Composition

Yield and Spread

Issuance

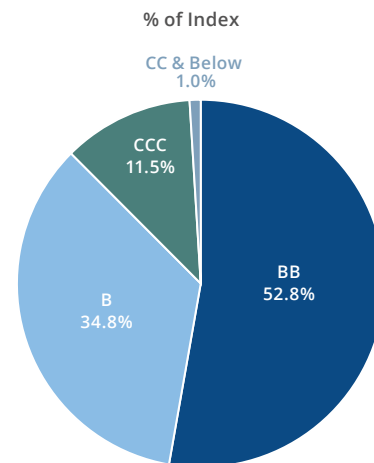
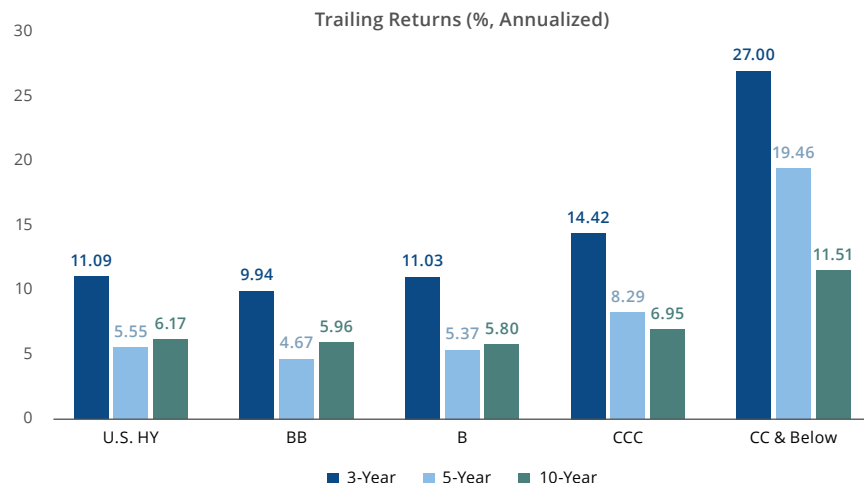
Default Rates

Defaults and Distressed Exchanges



High Yield: Returns and Composition

QUALITY, ANNUALIZED RETURNS AND TRAILING RETURNS

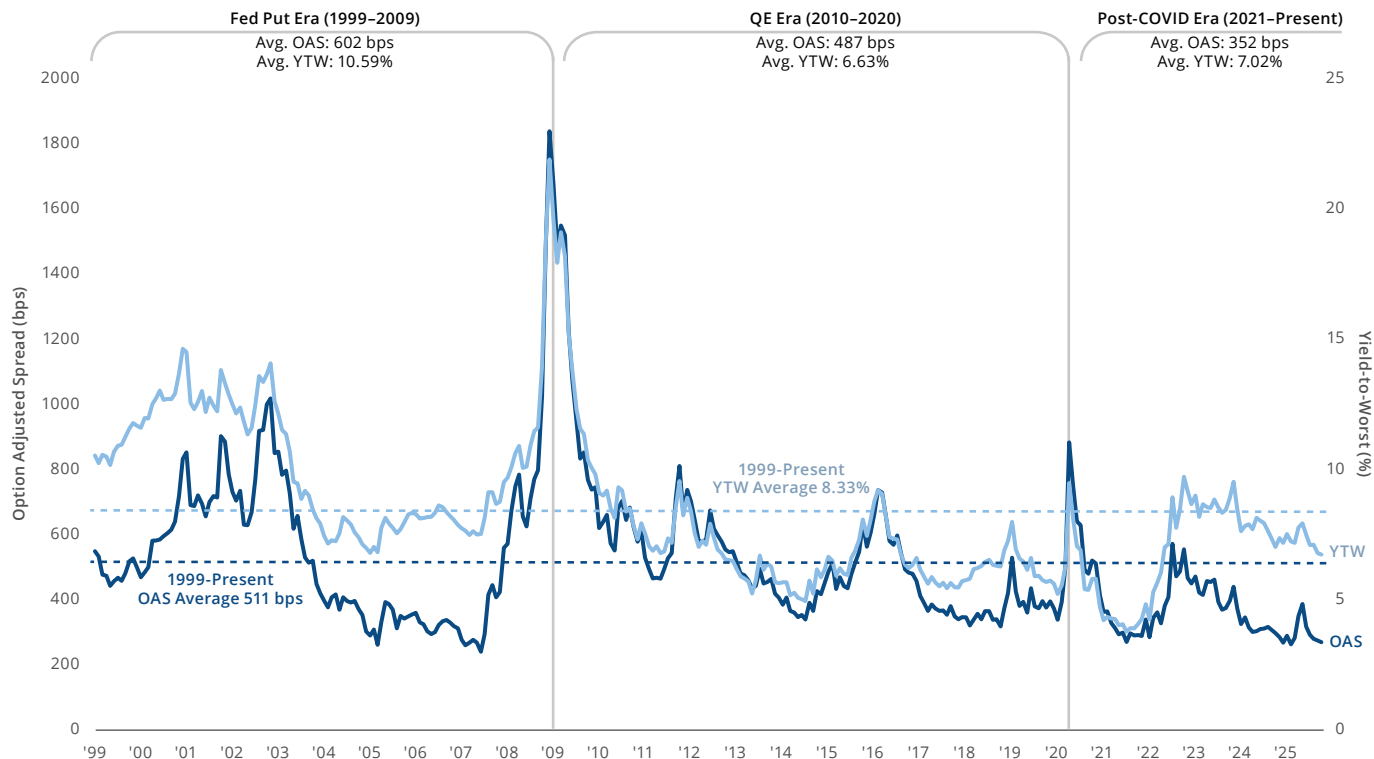


Annual Returns (%)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Bloomberg U.S. Corporate High Yield Bond Index	17.13	7.50	-2.08	14.32	7.11	5.28	-11.19	13.45	8.19	7.22
Bloomberg U.S. Corporate High Yield Bond Index - 2% Cap	17.13	7.50	-2.08	14.32	7.05	5.26	-11.18	13.44	8.19	7.22
BB-Rated	12.78	7.32	-2.41	15.51	10.17	4.61	-10.80	11.60	6.30	7.40
B-Rated	15.81	6.49	-1.31	14.80	4.60	4.85	-10.26	13.78	7.38	6.76
CCC-Rated	31.46	10.38	-3.84	9.52	2.27	8.59	-16.29	19.84	15.09	8.07
CC & Below	83.14	13.75	-1.27	-0.26	2.63	12.53	-10.43	16.41	48.29	4.25

Past performance does not guarantee future results. Source: Bloomberg, FactSet, eVestment, and Aristotle Pacific Capital as of 9/30/2025.

High Yield: Yield and Spread

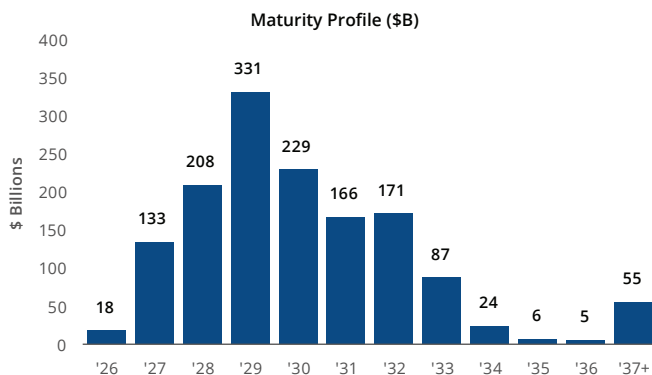
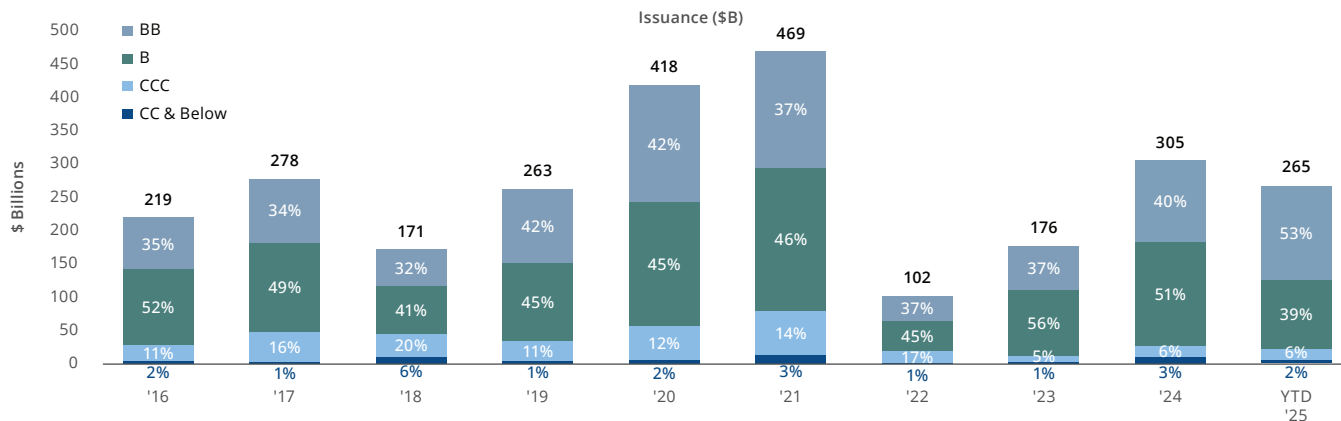
BLOOMBERG US CORPORATE HIGH YIELD BOND INDEX



Past performance does not guarantee future results. Source: Bloomberg, FactSet, and Aristotle Pacific Capital as of 9/30/2025.

High Yield: Issuance

ISSUANCE, MATURITY PROFILE AND TOP 10 ISSUERS

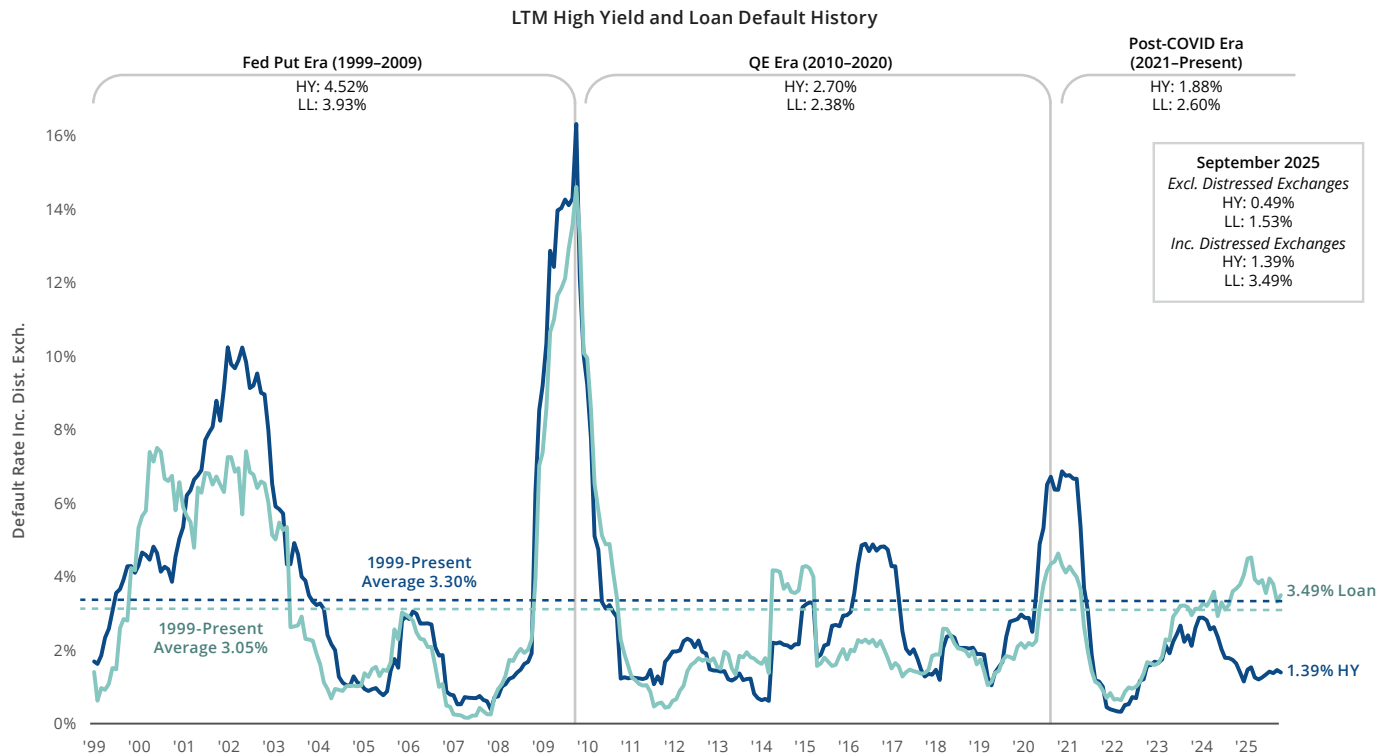


Issuer	Industry	Par Value (\$B)	Index Weight (%)*
Charter	Cable & Satellite	26.5	1.8
Venture Global LNG	Energy	22.3	1.7
EchoStar	Cable & Satellite	19.0	1.4
TransDigm Group	Aerospace & Defense	18.1	1.3
Warner Bros Discovery	Media	15.2	0.9
Tenet Healthcare	Healthcare	12.7	0.9
CSC Holdings (Altice USA)	Cable & Satellite	17.7	0.8
Bausch Health	Pharmaceuticals	12.2	0.8
Nissan Motor	Transportation	11.7	0.8
Rocket Companies	Finance Companies	11.2	0.8

*As a percentage of the Bloomberg U.S. Corporate High Yield Bond Index. Source: Barclays, Bloomberg, FactSet, and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

High Yield: Default Rates

HIGH-YIELD BOND AND LEVERAGED-LOAN DEFAULT RATE* (LTM)



*Par-weighted default rates including distressed exchanges. Source: J.P. Morgan and Aristotle Pacific Capital as of 9/30/2025.

High Yield: Defaults and Distress Exchanges

Date	Issuer	Industry	Loan (\$MM)	Bond (\$MM)	Total (\$MM)	Loan RR	Bond RR	Action
Jan 2025	Exela Intermediate	Technology		1,211	1,211			Payment Default
Jan 2025	Multiplan Corp	Healthcare	1,282	2,030	3,312	81	71	Distressed Exchange
Jan 2025	Trinseo	Chemicals		447	447		62	Distressed Exchange
Feb 2025	Oregon Tool	Capital Goods	826	113	939	55	41	Distressed Exchange
Mar 2025	ModivCare	Healthcare		251	251		38	Distressed Exchange
Mar 2025	Office Properties Trust	Financial		21	21		58	Distressed Exchange
Apr 2025	Cision	Technology	1,435	294	1,729	58	44	Distressed Exchange
Apr 2025	OT Merger (Oregon Tool)	Industrials		40	40		38	Distressed Exchange
Apr 2025	Sunnova	Utility		800	800		29	Payment Default
May 2025	At Home	Retail	579	1,022	1,601	23	27	Payment Default
May 2025	Castle Software	Media	1,435	300	1,735	64	44	Distressed Exchange
May 2025	Community Health Systems	Healthcare		584	584		82	Distressed Exchange
May 2025	Rite Aid	Retail		130	130			Filed Chapter 11
May 2025	Urban One Inc	Broadcasting		89	89		48	Below Par Paydown
May 2025	Weight Watchers Intl	Food & Beverage	945	500	1,445	24	23	Filed Chapter 11
Jun 2025	Altice France	Cable	5,650	9,387	15,037	91	77	Distressed Exchange
Jun 2025	Radiate Holdco	Cable	3,309	1,900	5,209	87	74	Distressed Exchange
Aug 2025	ModivCare	Healthcare	601	492	1,093	59		Filed Chapter 11
Aug 2025	Saks Global Enterprises	Retail		2,149	2,149		24	Distressed Exchange
Aug 2025	Spirit Airlines	Transportation		852	852		51	Filed Chapter 11

Source: Bank of America, J.P. Morgan, Bloomberg, and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

SECTION 7

Returns and Composition

Yield and Spread

Issuance

Loan Fundamentals

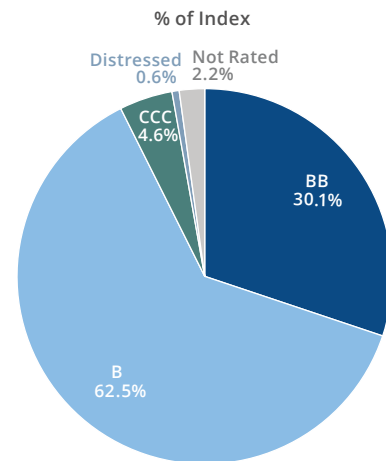
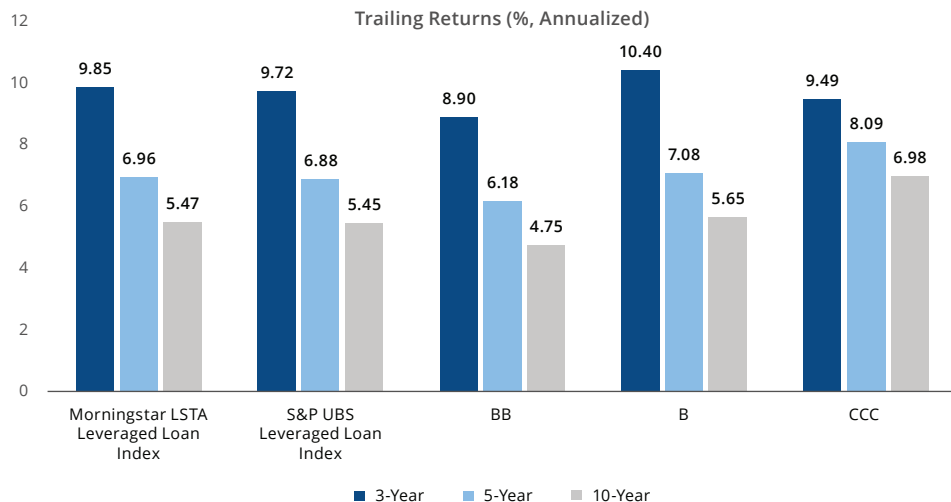
Defaults and Distressed Exchanges



BANK LOANS

Bank Loans: Returns and Composition

QUALITY, ANNUALIZED RETURNS AND TRAILING RETURNS

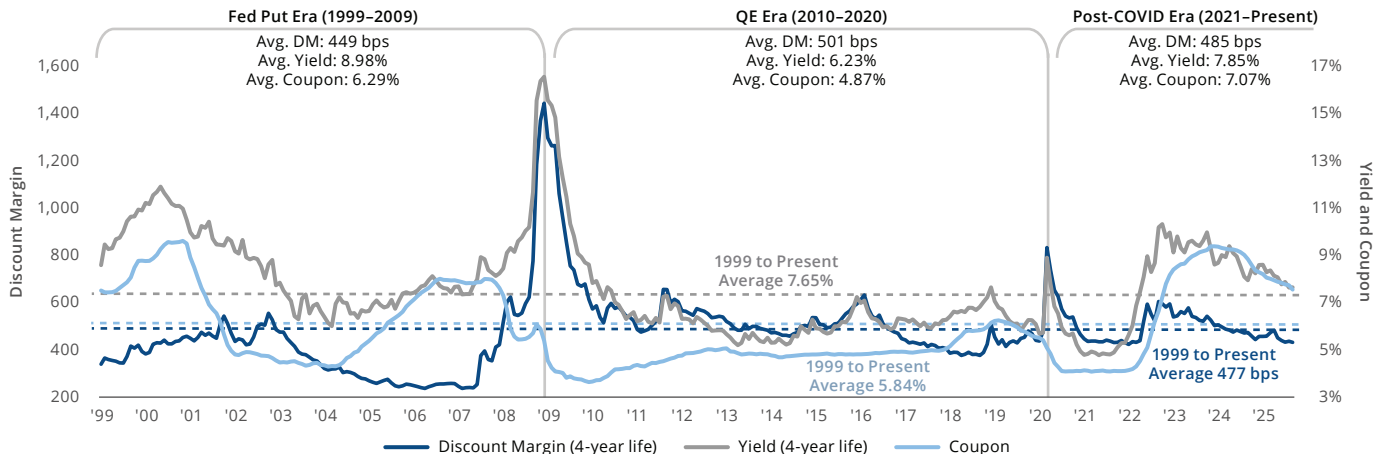


Annual Returns (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
Morningstar LSTA Leveraged Loan Index	-0.69	10.16	4.12	0.44	8.64	3.12	5.20	-0.77	13.32	8.96	4.63
S&P UBS Leveraged Loan Index	-0.38	9.88	4.25	1.14	8.17	2.78	5.40	-1.06	13.04	9.05	4.69
BB-Rated	2.65	6.91	3.47	0.17	9.09	0.30	2.96	2.70	10.05	8.20	4.65
B-Rated	-0.23	9.56	4.55	1.41	8.39	3.16	5.11	-1.33	14.41	9.72	4.67
CCC-Rated	-6.08	25.63	7.98	4.40	2.70	5.39	15.00	-13.26	16.13	12.15	3.73
Distressed (CC, C, and Default)	-41.01	27.87	2.73	-1.21	-18.04	-37.62	12.88	-37.30	-17.60	-9.72	-17.07

Past performance does not guarantee future results. Source: Standard & Poor's, Morningstar, FactSet, eVestment, Bloomberg, and Aristotle Pacific Capital as of 9/30/2025.

Bank Loans: Yield and Spread

DISCOUNT MARGIN (DM), YIELD, COUPON AND PRICE

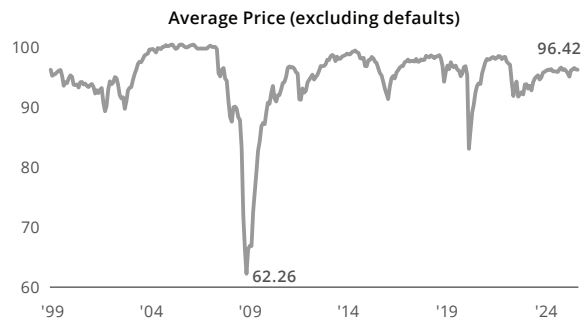


Discount Margin (DM): The market-determined yield-spread measuring the average expected return above the reference rate (e.g., SOFR), measured in basis points (bps).

- It measures the required compensation for credit risk and other factors. DM varies over the life of the loan as prices change.
- Price decrease (increase) → DM increase (decrease)

Yield: Measures the total return investors can expect to earn (reference rate + discount margin)

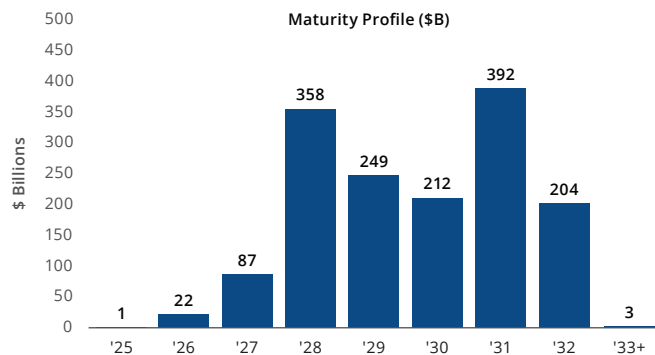
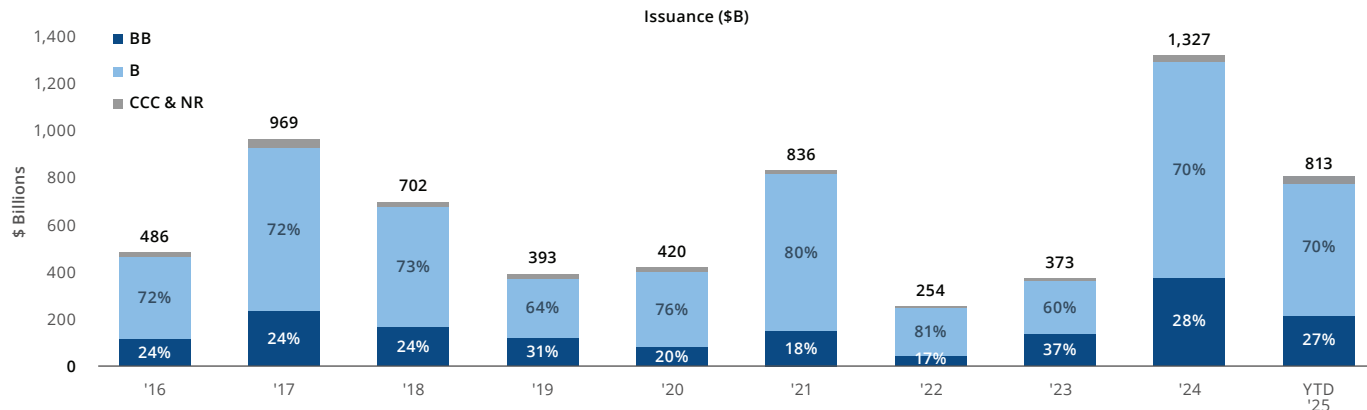
Coupon: The periodic interest payment that the loan borrower pays the lender, expressed as a %, usually based on a reference rate plus a fixed spread/margin (e.g., SOFR + 425)



Past performance does not guarantee future results. Source: Standard & Poor's and Aristotle Pacific Capital as of 9/30/2025.

Bank Loans: Issuance

ISSUANCE, MATURITY PROFILE AND TOP 10 ISSUERS



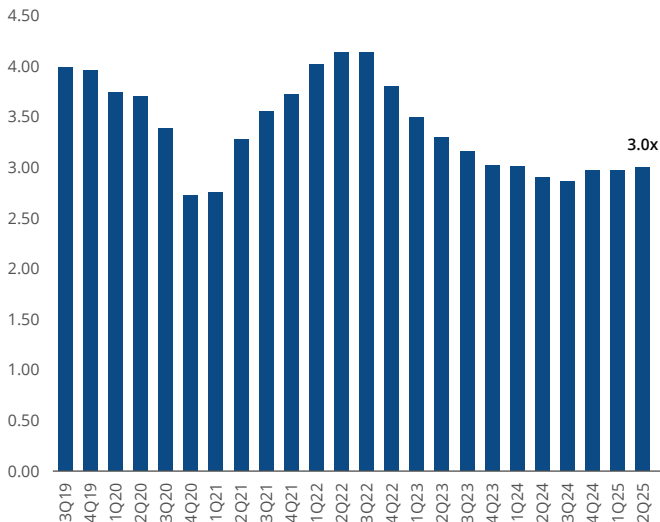
10 Largest Loan Issuers		
Issuer	Industry	Outstanding (\$B)
Asurion	Financials	12.1
TransDigm	Aerospace & Defense	8.6
Quikrete	Materials	7.9
Peraton	Information Technology	7.9
Medline Borrower	Healthcare	7.6
Neptune	Communication Svcs	7.0
X Corp	Information Technology	6.5
Gen Digital	Information Technology	6.5
Cloud Software	Information Technology	6.4
Acrisure	Information Technology	6.3

Source: Bloomberg and J.P Morgan as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

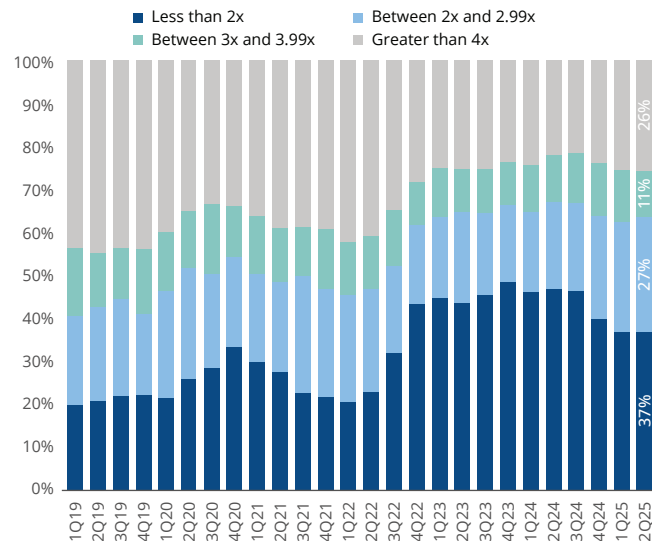
Bank Loans: Loan Fundamentals

CREDIT METRICS

Average Interest Coverage*



Distribution of Interest Coverage*



Leverage (Debt/EBITDA)

By Rating	2Q25	1Q25	2Q24	Q/Q change	Q/Q % change	Y/Y change	Y/Y % change
BB	4.47x	4.46x	4.47x	0.02x	0.4%	0.01x	0.1%
B1/B2	5.38x	5.37x	5.73x	0.01x	0.2%	-0.35x	-6.0%
B3	6.74x	6.76x	6.76x	-0.02x	-0.3%	-0.02x	-0.4%
CCC	7.24x	6.88x	6.71x	0.36x	5.2%	0.53x	8.0%

*Interest Coverage = EBITDA / Interest Expense. Source: J.P. Morgan, Capital IQ, as of 9/30/2025.

Bank Loans: Defaults and Distressed Exchanges

Date	Issuer	Industry	Loan (\$MM)	Bond (\$MM)	Total (\$MM)	Loan RR (%)	Bond RR (%)	Action
Jan 25	Aimbridge Acquisition	Travel	753		753	64		Distressed Exchange
Jan 25	Blue Ribbon LLC	Food Producers	308		308	68		Distressed Exchange
Jan 25	Brewco Borrower	Food Producers	362		362	68		Payment Default
Jan 25	City Brewing	Food & Beverage	886		886	35		Payment Default
Jan 25	Lumileds	Technology	324		324	40		Payment Default
Jan 25	Multiplan Corp	Healthcare	1,282	2,030	3,312	81	71	Distressed Exchange
Jan 25	Physician Partners (Better Health)	Healthcare	732		732	40		Distressed Exchange
Feb 25	Altisource Portfolio Solutions	Financial	233		233	48		Distressed Exchange
Feb 25	Galaxy US Opco	Services	947		947	88		Distressed Exchange
Feb 25	Mandolin Technology	Technology	205		205	70		Distressed Exchange
Feb 25	Oregon Tool	Capital Goods	826	113	939	55	41	Distressed Exchange
Feb 25	SVP Worldwide	Consumer Products	370		370	30		Distressed Exchange
Mar 25	Alvogen Pharma	Healthcare	727		727	90		Distressed Exchange
Mar 25	Astra Acquisition	Technology	1,039		1,039			Payment Default
Mar 25	Employbridge Holdings	Services	895		895	57		Distressed Exchange
Mar 25	Mitel Networks	Telecommunications	900		900			Filed Chapter 11
Mar 25	MLN US Holdco	Telecoms	1,181		1,181	15		Filed Chapter 11
Mar 25	Rugs USA	Consumer Products	486		486			Payment Default
Mar 25	Runner Buyer	Real Estate	486		486	35		Payment Default
Mar 25	Vialto Partners	Services	550		550	87		Distressed Exchange
Apr 25	Ascend Performance Materials	Chemicals	1,043		1,043	22		Filed Chapter 11
Apr 25	Cision	Technology	1,435	294	1,729	58	44	Distressed Exchange
Apr 25	Naked Juice LLC	Food Producers	2,322		2,322	36		Distressed Exchange
Apr 25	Pathway Vet Alliance	Healthcare	1,503		1,503	81		Distressed Exchange
May 25	Aegis Toxicology	Healthcare	164		164			Missed Principal Payment
May 25	At Home	Retail	579	1,022	1,601	23	27	Payment Default

Source: J.P. Morgan, Bloomberg and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

Bank Loans: Defaults and Distressed Exchanges

(CONTINUED)

Date	Issuer	Industry	Loan (\$MM)	Bond (\$MM)	Total (\$MM)	Loan RR (%)	Bond RR (%)	Action
May 25	Castle Software	Media	1,435	300	1,735	64	44	Distressed Exchange
May 25	EOS Finco SARL	Telecoms	783		783	38		Payment Default
May 25	Everstream (Midwest Fiber)	Broadcasting	495		495			Filed Chapter 11
May 25	Flexsys (Eastman Tire)	Automotive	461		461	51		Distressed Exchange
May 25	Ivanti Software	Technology	2,690		2,690	67		Distressed Exchange
May 25	Mountaineer Merger Corp	Retail	173		173	65		Payment Default
May 25	Naked Juice LLC (repeat)	Food Producers	580		580	39		Distressed Exchange
May 25	Pixelle Specialty Solutions	Paper/Packaging	509		509			Missed Interest Payment
May 25	Weight Watchers Intl	Food & Beverage	945	500	1,445	24	23	Filed Chapter 11
Jun 25	Altice France	Cable	5,650	9,387	15,037	91	77	Distressed Exchange
Jun 25	Quest Software	Technology	3,498		3,498	49		Distressed Exchange
Jun 25	Radiate Holdco	Cable	3,309	1,900	5,209	87	74	Distressed Exchange
Jun 25	WellPet (Woof Holdings)	Retail	955		955	60		Distressed Exchange
Jul 25	Cubic Corp	Technology	288		288	72		Distressed Exchange
Jul 25	Del Monte Foods	Food/Beverages	864		864	58		Filed Chapter 11
Jul 25	Lifescan Global Corporation	Healthcare	780		780	51		Filed Chapter 11
Jul 25	Maverick Gaming	Gaming/Leisure	215		215	21		Filed Chapter 11
Aug 25	Anastasia Beverly Hills	Consumer Products	606		606	83		Missed Payment
Aug 25	Atlas CC Acquisition	Technology	1,704		1,704	72		Distressed Exchange
Aug 25	BW Holding Inc	Packaging/Paper	588		588	73		Distressed Exchange
Aug 25	Claire's Stores	Retail	506		506			Filed Chapter 11
Aug 25	ModivCare	Healthcare	601	492	1,093	59		Filed Chapter 11
Sep 25	Astra Acquisition	Technology	1,039		1,039			Filed Chapter 11
Sep 25	First Brands	Automotive	4,402		4,402	37		Filed Chapter 11

Source: J.P. Morgan, Bloomberg and Aristotle Pacific Capital as of 9/30/2025. Not an endorsement or recommendation; clients of Aristotle Pacific Capital may maintain positions in securities referenced.

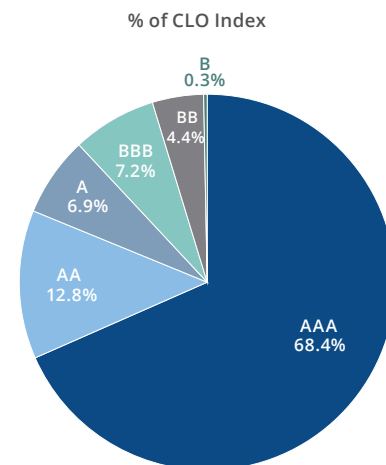
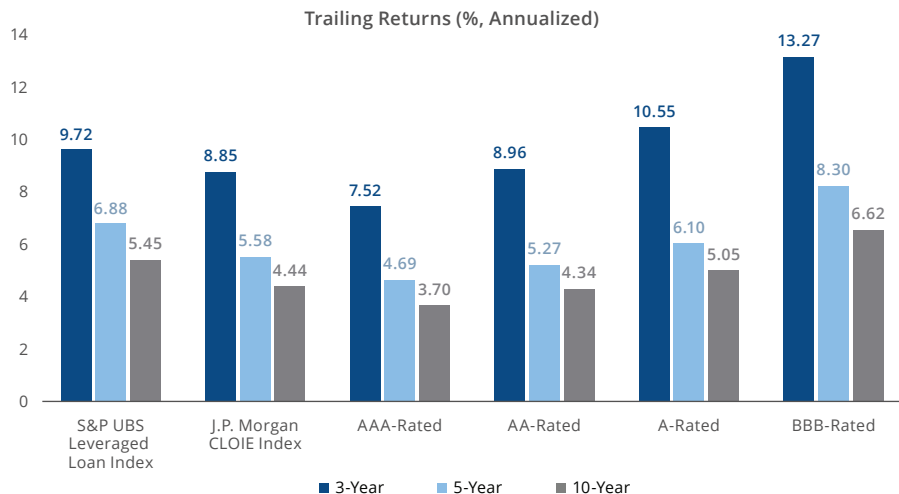
SECTION 8

Returns and Composition
Yield Profile
Issuance
Risk/Return
Impairment and Loss Rates
Ratings Actions



CLOs: Returns and Composition

QUALITY, ANNUALIZED RETURNS AND TRAILING RETURNS

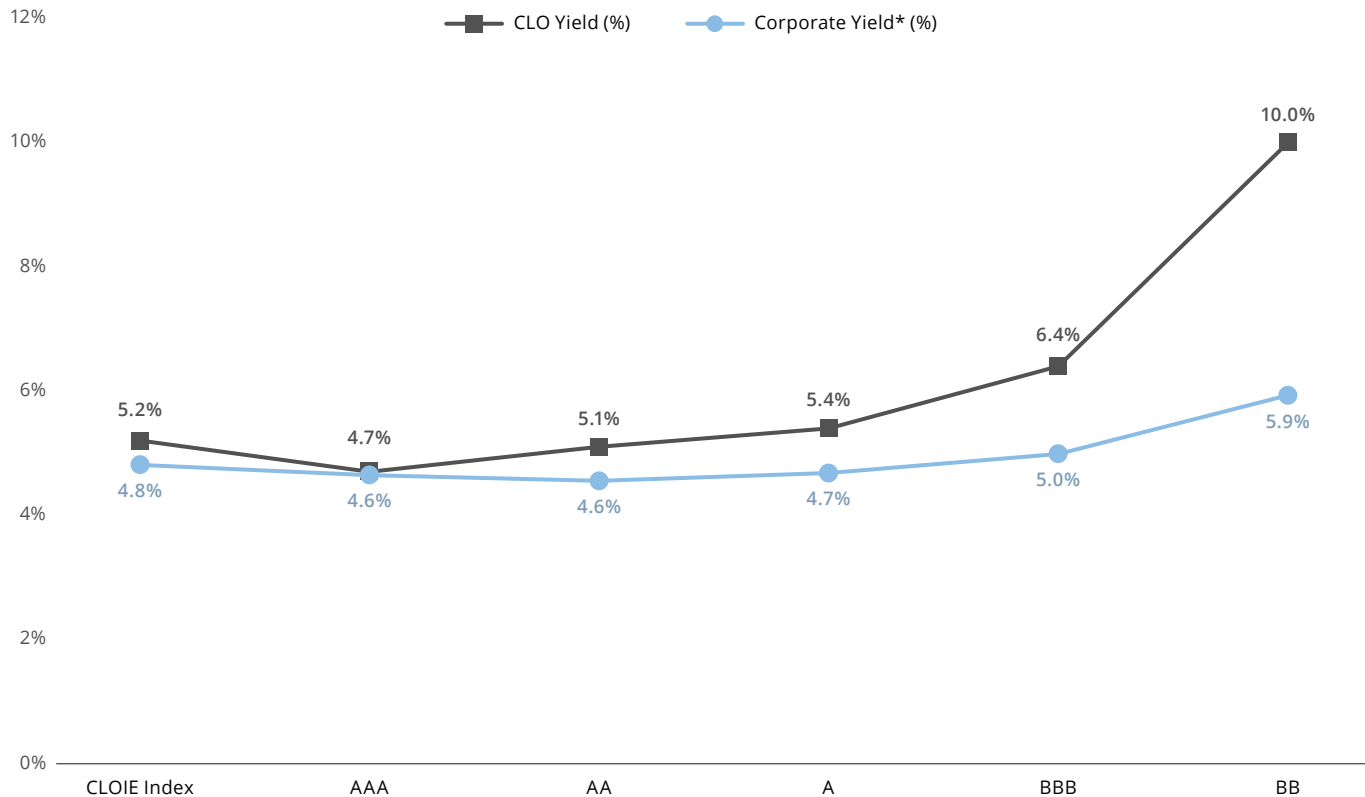


Annual Returns (%)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 YTD
S&P UBS Leveraged Loan Index	9.88	4.25	1.14	8.17	2.78	5.40	-1.06	13.04	9.05	4.69
J.P. Morgan CLOIE Index	5.19	4.29	1.27	5.50	3.11	2.37	0.21	10.54	8.31	4.54
AAA-Rated	3.19	2.78	1.66	4.61	2.54	1.40	1.05	8.68	7.06	4.17
AA-Rated	5.41	3.44	1.02	5.95	2.97	2.09	-0.17	10.86	8.18	4.50
A-Rated	6.89	4.36	-0.07	6.72	4.64	3.13	-1.67	13.35	9.25	4.81
BBB-Rated	11.18	8.78	-0.66	8.91	5.47	4.30	-2.77	17.66	11.79	5.47
BB-Rated	20.29	16.97	0.40	10.84	8.04	11.20	-3.82	24.52	19.16	7.98

Past performance does not guarantee future results. Source: Bloomberg, BofA Global Research, Standard & Poor's, eVestment, Intex, Pitchbook LCD, and Aristotle Pacific Capital as of 9/30/2025.

CLOs: Yield Profile

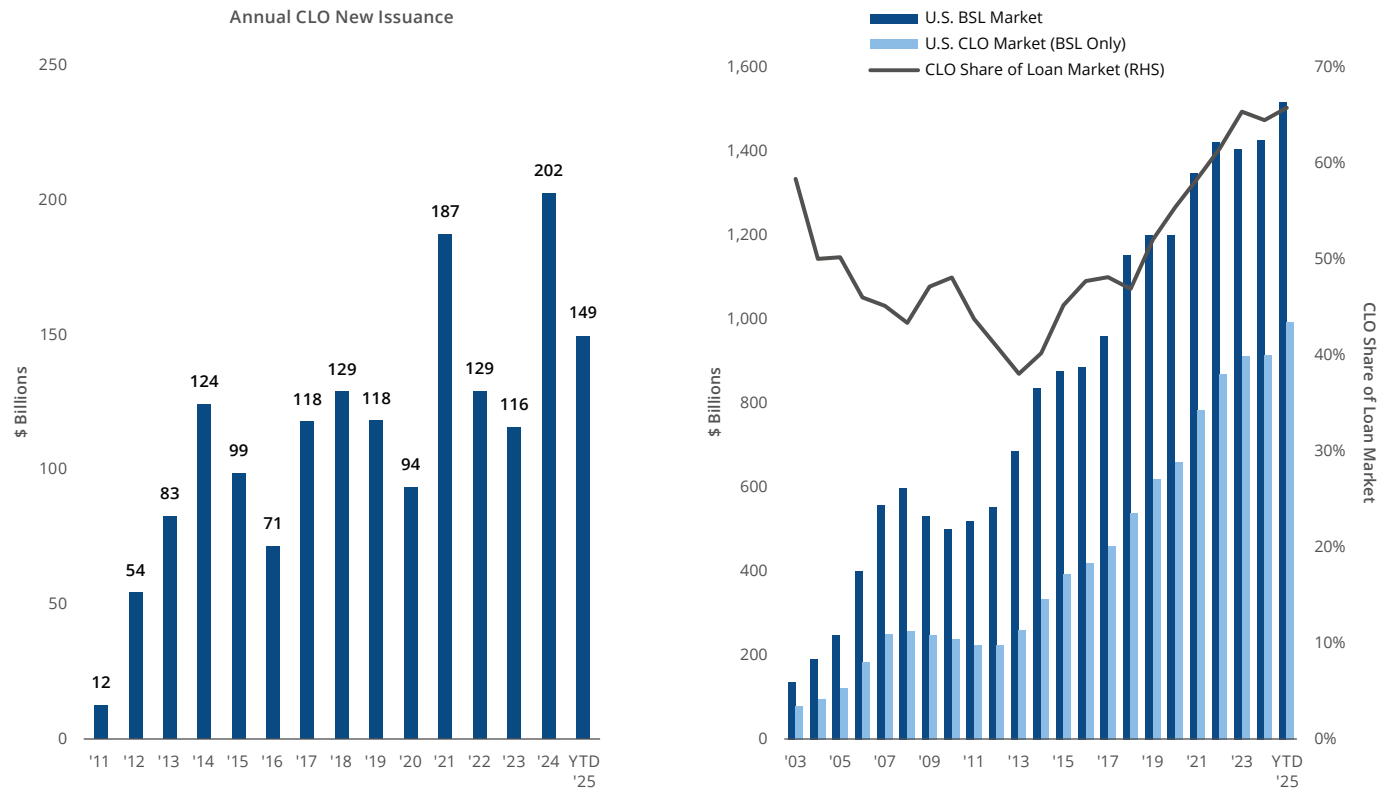
CLO YIELD CURVE VS. COMPARABLE CORPORATE YIELD*



Past performance does not guarantee future results. *Corporate yield: Index, AAA, AA, A = YTW for the Bloomberg U.S. Corporate Bond Index and quality indices; BB = 3Y Yield on the S&P UBS Leveraged Loan Index BB Quality. Source: Bloomberg, Standard & Poor's, J.P. Morgan, and Aristotle Pacific Capital as of 9/30/2025.

CLOs: Issuance

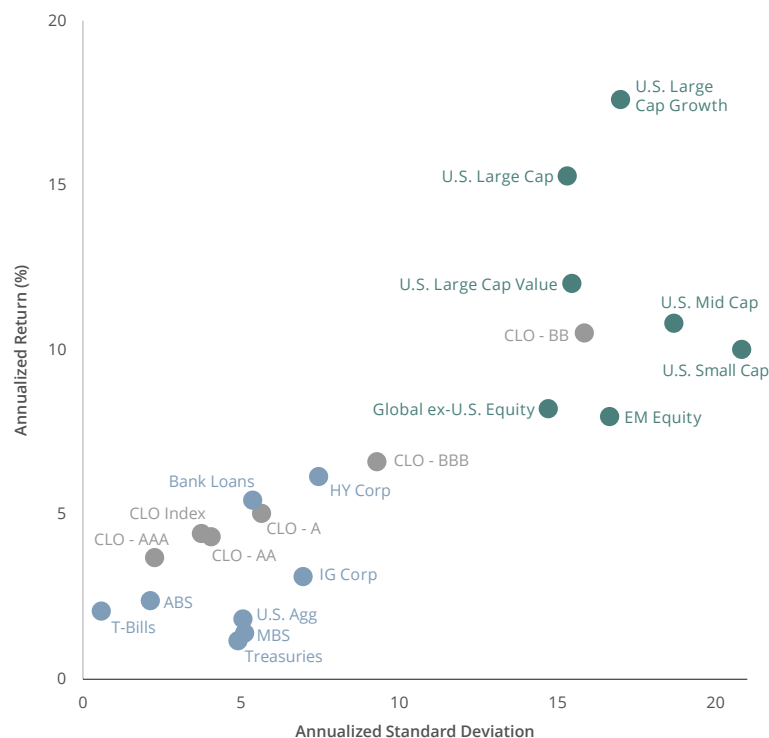
ANNUAL CLO NEW ISSUANCE AND SHARE OF LOAN MARKET



Source: BofA Global Research, Standard & Poor's, J.P. Morgan, Pitchbook LCD, and Aristotle Pacific Capital as of 9/30/2025.

CLOs: Risk/Return

CROSS ASSET RISK/RETURN MATRIX (10-YEAR)



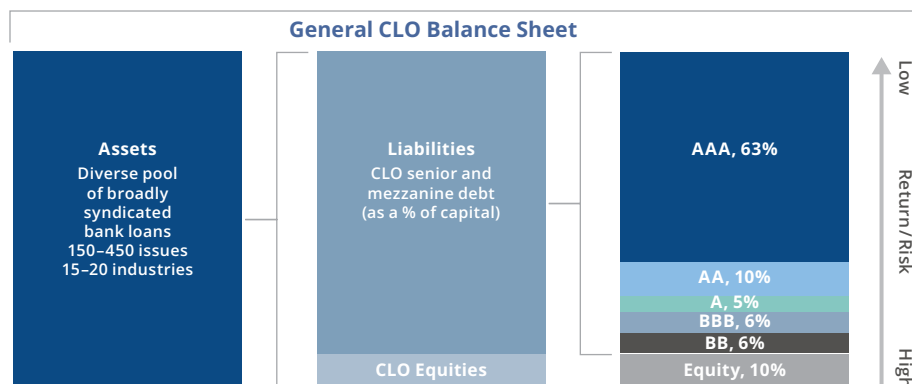
Index	Return % (10-Year)	Standard Deviation (10-Year)
CLO Index	4.44	3.74
CLO - AAA	3.70	2.25
CLO - AA	4.34	4.04
CLO - A	5.05	5.64
CLO - BBB	6.62	9.29
CLO - BB	10.53	15.84
T-Bills	2.08	0.57
Treasuries	1.17	4.89
U.S. Agg	1.84	5.05
MBS	1.41	5.10
ABS	2.39	2.12
IG Corp	3.12	6.95
HY Corp	6.17	7.44
Bank Loans	5.45	5.35
U.S. Large Cap	15.30	15.31
U.S. Mid Cap	10.82	18.68
U.S. Small Cap	10.03	20.82
U.S. Large Cap Growth	17.62	16.99
U.S. Large Cap Value	12.04	15.45
Global ex-U.S. Equity	8.23	14.70
EM Equity	7.99	16.64

Past performance does not guarantee future results. Source: eVestment, Bloomberg, FactSet, and Aristotle Pacific Capital as of 9/30/2025. CLOIE Indices: J.P. Morgan CLOIE Indices; ABS: Bloomberg Asset-Backed Securities (ABS) Index; HY Corp: Bloomberg U.S. Corporate High Yield Bond Index; IG Corp: Bloomberg U.S. Corporate Bond Index; Lev Loans: S&P UBS Leveraged Loan Index; MBS: Bloomberg U.S. Mortgage-Backed Securities (MBS) Index; T-Bills: Bloomberg U.S. Treasury Bills 1-3 Month Index; Treasuries: Bloomberg U.S. Treasury Index; U.S. Agg: Bloomberg U.S. Aggregate Bond Index; U.S. Large Cap Growth: S&P 500 Growth Index; U.S. Large Cap Value: S&P 500 Value Index; U.S. Large Cap: S&P 500 Index; EM Equity: MSCI EM (Net); Global ex-U.S. Equity: MSCI ACWI ex US Index (Net); U.S. Mid Cap: S&P Midcap 400 Index; U.S. Small Cap: S&P 600 Index.

CLOs: Impairment and Loss Rates

MOODY'S US CLO 10YR CUMULATIVE IMPAIRMENT AND LOSS RATES (1993–2024)

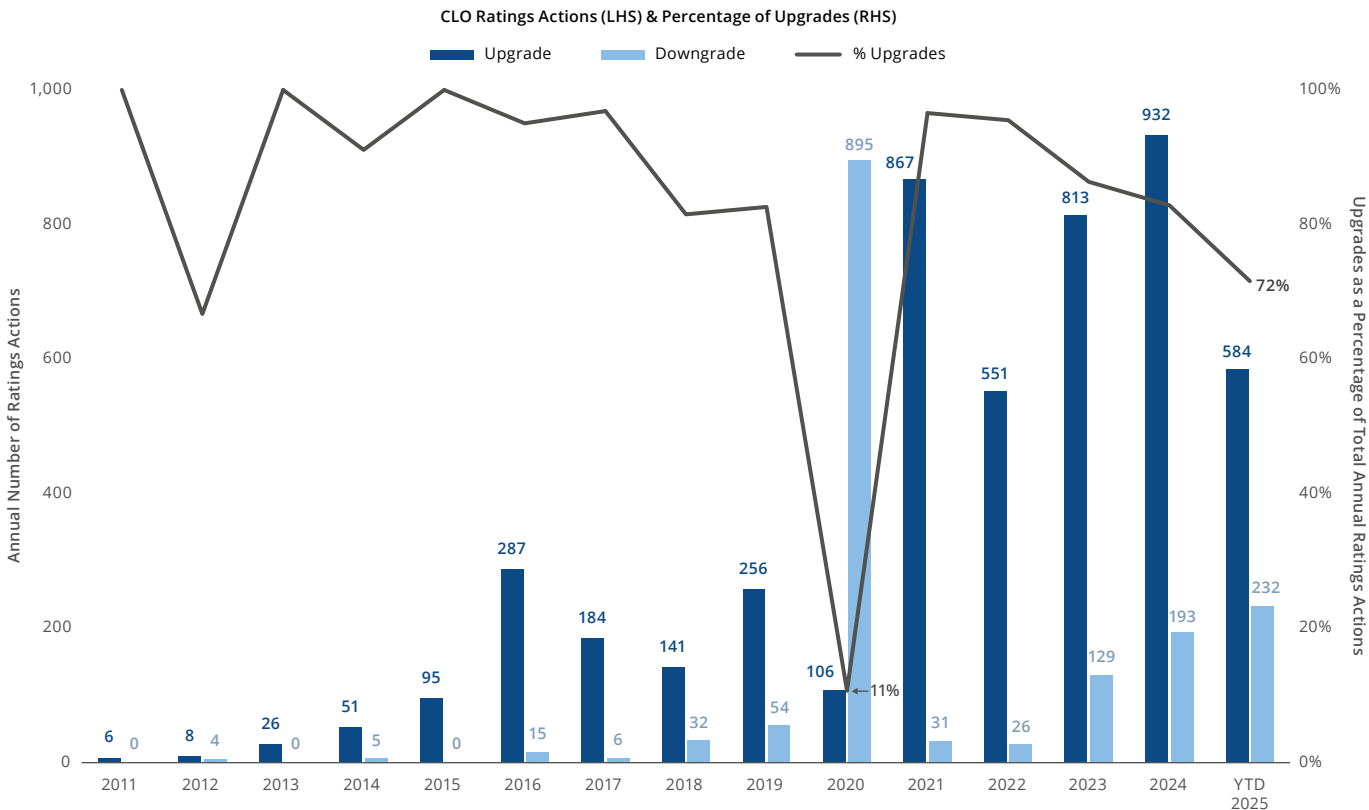
Cohort Rating	Impairment Rates		Loss Rates	
	10yr Cumulative	Annualized	10yr Cumulative	Annualized
AAA	0.0%	0.0%	0.0%	0.0%
AA	0.0%	0.0%	0.0%	0.0%
A	0.0%	0.0%	0.0%	0.0%
BBB	6.4%	0.6%	2.0%	0.2%
BB	13.2%	1.2%	7.6%	0.7%
B	18.4%	1.7%	8.1%	0.8%
CCC	16.6%	1.5%	8.4%	0.8%
Investment Grade	1.8%	0.2%	0.5%	0.1%
Speculative Grade	15.5%	1.5%	8.4%	0.8%
All	4.9%	0.5%	2.3%	0.2%



Source: Moody's, Aristotle Pacific Capital as of 12/31/2024.

CLOs: Upgrades and Downgrades (Annual)

CLO RATINGS ACTIONS (LHS) AND PERCENTAGE OF UPGRADES (RHS)



Source: Moody's, Aristotle Pacific Capital as of 9/30/25.

Prepared by Dominic Nolan, CFA, Ryan G. Horan, CFA, Whitney Bell, Lauren Liscinsky, Jeanne Kyle, Rachel Baldelli and Vanessa Nobre.

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